

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, January 16, 2024
At 5:30 pm
Zoom Register here:

[https://homeforward.zoom.us/j/86954691366?pwd=ymR2yVuzwpW6CXyBI
GnDI9KHSaJhKh.1](https://homeforward.zoom.us/j/86954691366?pwd=ymR2yVuzwpW6CXyBI
GnDI9KHSaJhKh.1)



MEMORANDUM

To: Community Partners

Date: January 10, 2024

From: Ivory N. Mathews, Chief Executive Officer

Subject: Home Forward Board of Commissioners January Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, January 16 at 5:30 PM virtually using the Zoom platform. The meeting will be accessible to the public via phone and electronic device.

If you would like to provide public testimony or view the meeting, please use this link:

<https://homeforward.zoom.us/j/86954691366?pwd=ymR2yVuzwpW6CXyBIGnDI9KHSaJhKh.1>

The commission meeting is open to the public.

AGENDA



BOARD OF COMMISSIONERS MEETING

**HOME FORWARD
135 SW ASH STREET
PORTLAND, OREGON**

<https://homeforward.zoom.us/j/86954691366?pwd=ymR2yVuzwpW6CXyBIGnDI9KHSaJhKh>

.1

VIA ZOOM

JANUARY 16, 2024, 5:30 PM

AGENDA

INTRODUCTION AND WELCOME

PUBLIC COMMENT

General comments not pertaining to specific resolutions. Any public comment regarding a specific resolution will be heard when the resolution is considered.

MEETING MINUTES

Topic
Minutes of December 6, 2023 Board Work Session and December 19, 2023 Board of Commissioners Virtual Meeting

CONSENT CALENDAR

Following Reports and Resolutions:			
24-01	Topic	Presenter/POC	Phone #
01	Authorize Contracts for General Contractor Services with Baldwin General Contracting, Inc. to commence Sequoia Square Building Enclosure Rehabilitation	Juli Garvey Lewis Lyles	503.802.8457 503.802.8484

REPORTS AND RESOLUTIONS

Following Reports and Resolutions:			
24-01	Topic	Presenter/POC	Phone #
02	Authorize Part II of a Contract with Epic Land Solutions for Relocation Services at Peaceful Villa	April Berg Myriam Demezas	503.802.8326 503.802.8502
03	Authorize Guaranteed Maximum Price (GMP) Amendment to Killingsworth Housing's Construction Manager/ General Contractor (CM/GC) Contract with O'Neill/Walsh Community Builders	Jonathan Trutt Jeff Lane	503.802.8507 503.802.8591
04	Authorize Killingsworth Project Omnibus Financing	Jonathan Trutt Jeff Lane	503.802.8507 503.802.8591
05	Authorize Changes to Chapter 7, 8, 9 and 12 of the Administrative Plan	Christina Dirks	503.802.8554

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

Home Forward is currently operating in a state of emergency. We will continue to conduct board-related business as it is currently scheduled but will update the public on the venue or forum by which it occurs as we assess the situation.

The 2024 Board Work Sessions will be quarterly with the next meeting February 1, 2024 at Noon. The next Board of Commissioners meeting will be Tuesday, February 20, 2024.

EXECUTIVE SESSION

The Board of Commissioners of Home Forward may meet in Executive Session pursuant to ORS 192.660(2). Only representatives of the news media and designated staff are allowed to attend. News media and all other attendees are specifically directed not to disclose information that is the subject of the session. No final decision will be made in the session.

ADJOURN

MINUTES



BOARD OF COMMISSIONERS MONTHLY WORK SESSION
HOME FORWARD
HELD VIRTUALLY
135 SW Ash Street Portland, OR 97204
December 6, 2023

COMMISSIONERS PRESENT

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Commissioners Dina DiNucci, TomiRene Hettman

STAFF PRESENT

April Berg, Martha Calhoun, Ian Davie, Dena Ford-Avery, Juli Garvey, Karena Gruber, Biljana Jesic, Ivory Mathews, Kitty Miller, Kellie Shaw, Ian Slingerland, Aimee Smith, Celia Strauss, Jonathan Trutt, Linda Uppinghouse

Chair Damien Hall convened the December Work Session of the Board of Commissioners at 5:34 PM.

RESOLUTION 23-12-01 Authorize AFSCME Collective Bargaining 2024 Wage Opener – Ratification for 2024

Kitty Miller, Chief Administrative Officer greeted the commissioners and turned the presentation over to Human Resources Director Aimee Smith. Smith introduced the resolution saying that AFSCME represents 54% of employees and we have an active agreement through December 2024. During the contract negotiations in 2023 we agreed to a wage opener, identifying the goals to address inflation and consider a wage study that began in 2022.

The tentative agreement would go into effect January 1, 2024, implementing the new wage structure based on a living wage. Smith explained how the new wage floor was set at \$30.96 per hour, noting over 50% of Home Forward employees are making below a living wage, and described the implementation process. In review, negotiations started on November 17, 2023 and AFSCME members voted December 1, 2023 with overwhelming support to ratify the agreement.

Chair Damien Hall appreciated the background and the well-received results. He welcomed the leadership, foresight, and equity work to bring forth a strong effort such as this. It represents innovation in our field that should have a positive impact for staff who are important to our mission and future recruitments.

Smith said this effort couldn't have been achieved without the championing of the executive team, adding a shout out to Karena Gruber, HR Supervisor, and the bargaining team. CEO Ivory Mathews concurred with Smith and added her heartfelt thanks to the entire team. This will become a touch point integral to the entire organization and expressed excitement for all employees going forward.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-12-01. Commissioner TomiRene Hettman moved to approve Resolution 23-12-01, and Vice Chair Matthew Gebhardt seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye

There being no further business, Chair Damien Hall adjourned this portion of the meeting at 5:42 PM.

Celia M. Strauss
Recorder, on behalf of
Ivory N. Mathews, Secretary

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



**BOARD OF COMMISSIONERS MONTHLY MEETING
HOME FORWARD
HELD VIRTUALLY
135 SW Ash Street Portland, OR 97204
December 19, 2023**

COMMISSIONERS PRESENT

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Commissioners Dina DiNucci, Rakeem Washington

STAFF PRESENT

April Berg, Martha Calhoon, Ian Davie, Christina Dirks, Juli Garvey, Jeff Klatke, Ivory Mathews, Kitty Miller, Brian Rutzen, Kandy Sage, Amanda Saul, Kellie Shaw, Celia Strauss, Jonathan Trutt, Linda Uppinghouse, Terren Wing

LEGAL COUNSEL

Sarah Stauffer Curtiss

Chair Damien Hall convened the meeting of the Board of Commissioners at 5:31 PM, his last meeting as Board Chair. Chair Hall expressed admiration to staff, recognizing the ongoing list of achievements on behalf of staff and residents and finally his appreciation to his fellow commissioners.

Cathy Millis, Dahlke Manor resident reported on the December Community Builder Team meeting that took place earlier in the day. She was upbeat about the committee and enjoys working with a great group of people. As previously reported, they have a new property manager, but as of tomorrow she will be out on maternity leave. After an extended period, the community room will reopen on the weekends. Millis hopes to report all goes well. The lobby bathrooms continue to see unsavory activities, which means they are not open. Millis reported concerns around the exterior of the property. There is frustration with the elevator periodically not operatable and hopes the issues will be addressed soon but appreciates it has not completely shut down. Millis wished everyone happy holidays and enjoys the opportunity to join the board meetings.

Chair Damien Hall thanked Millis for sharing her updates, saying we enjoy you at our meetings. He wished Millis a good holiday season and hopeful the community room continues to be available to the residents. It is unfortunate to hear about the elevator, saying Home Forward staff is listening. Chair Hall said it is important we hear these concerns and don't consider this complaining.

Maggie Skenderian, neighbor to Peaceful Villa apartments presented public comment. She returned to be sure that the Board was aware of the significant number of public comments that were submitted on the Peaceful Villa project Environmental Assessment. Comments were due by 12/18/23. She and a number of her neighbors spent the last several weeks researching what Home Forward submitted and documented perceived points of concern. The project was determined to have No Significant Environmental Impact and Skenderian is frustrated because this finding (FONSI) is based on information that she and her neighbors believed to be incorrect. A number of neighbors and at least one Peaceful Villa resident requested that the FONSI be rescinded and reevaluated based on a revised submission from Home Forward. She gave examples of perceived inaccuracies related to proximity to transit and land use descriptions. The information she most wanted to share was related to crime statistics. Skenderian said that she and others repeatedly asked staff working on Peaceful Villa consider the City required CPTED (Crime Prevention Through Environmental Design) standards.

Skenderian presented details on crime Skenderian raised concerns that, based on her independent analysis using findings documented in Portland Maps, data shows that at one of Home Forward's properties, there is 44 times more activity than the City average. Skenderian concluded that the data seems to indicate that tall buildings with large numbers of units have more crime than similar density when built closer to the ground and in clustered development.

She is left wondering what this means for the future, adding there seems to be ongoing elevator malfunctions in high rise buildings. Recognizing Home Forward has the best of intentions, but Skenderian doesn't believe what is planned would achieve positive outcomes. Adding to the concern for current and future residents, and now left wondering who holds Home Forward accountable. In closing, she strongly urged the commissioners to read the environment assessment because it is the only opportunity the public has had to make unfiltered input on the Peaceful Villa project.

Chair Hall thanked Skenderian for addressing the neighborhood concerns, the ongoing involvement shown by the neighbors and hears the emotion in her testimony. He assured

her that Home Forward continues to follow the design guidelines, although some of the design changes may not be seen as adequately addressing the neighborhood's concerns.

MEETING MINUTES

Minutes of the November 21, 2023 Board of Commissioners Virtual

Chair Damien Hall requested a motion authorizing approval of the minutes for the November 21, 2023 Board of Commissioners Meeting.

There being no discussion, Vice Chair Matthew Gebhardt moved to approve the meeting minutes. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner Rakeem Washington—Aye

RESOLUTIONS

Resolution 23-12-02 Authorize Fiscal Year 2024 Budget

Kandy Sage, Chief Financial Officer presented the resolution and introduced Brian Rutzen, Senior Financial Analyst who had a critical hand in the design of the annual budget. Sage walked through a power point highlighting the four main sections of the budget.

Sage described the legal entity structure, explaining the blended component units and the discretely presented component units along with an overview of the independent budgets. The discussion focused on the discrete components and began with an overview of the budget principles followed by key activities. Calling out the new payment standard for a housing choice voucher, Chief Operating Officer Ian Davie noted will reduce disparity for 20-29 in three east county zones related to bedroom sizes. Staffing levels are expected to decrease over all groups. Sage described the thorough tracking and review of FTE positions that were unfilled or absorbed elsewhere, resulting in a decrease for FY2024. Moving onto the main revenue drivers, Sage reviewed each department's revenue source.

Turning to the financial highlights, the annual operating revenues are expected to be \$261.8 million, and Sage reviewed the major components of the estimated revenue sources. We are encouraged to see more locally funded programs. Sage turned the

presentation over to Brian Rutzen who reviewed the subsidy proration graphic. The historic view describes how programs are funded and the limitations. We have seen a third year at 100% proration and foresee no sign this will change in 2024. A look at the cumulative change in the housing choice voucher program versus metro area rents showed a slight decline during Covid but is moving back up. Rutzen described the gap in the fair housing rent and federal funding deficiency.

The funding flow takes into consideration all the operating groups and departments comprising the agency's budget. Rutzen walked through the chart, discussing the purpose of the net reserves. In reviewing the household served chart, Rutzen described unduplicated households and how we get to the actual number of households served. Sage highlighting that this is an important number in our MTW reporting.

Chief Financial Officer Sage presented the Home Forward Development Enterprise budget. She explained the unwinding of the limited partnerships and the background of establishing the 501(c)3. Sage walked through the structure and budgets for Gateway Park Apartments, Cecelia, Humboldt Gardens, Trouton and Woolsey Limited Partnerships. In closing, she identified standard risks and opportunities foreseen in 2024.

Chair Hall said the budget was reviewed with the Board's Audit and Finance Committee. Hall was astounded with how much work goes into the annual budget and the different things we do and multiple ways we touch the numbers.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-12-02. Treasurer Jenny Kim moved to adopt Resolution 23-12-02. Commissioner Dina DiNucci seconded the motion.

The vote was as follows:

- Chair Damien Hall—Aye**
- Vice Chair Matthew Gebhardt—Aye**
- Treasurer Jenny Kim—Aye**
- Commissioner Dina DiNucci—Aye**
- Commissioner Rakeem Washington—Aye**

Resolution 23-12-03 Authorize Home Forward Insurance Renewals

Chief Financial Officer Kandy Sage presented the resolution and introduced Jeff Klatke, Manager of Treasury and Risk Management. Sage apologized for the last-minute details which seems to be a trend. We continue to use Marsh to market our insurance program

and explained their role in securing our lines of coverage. Klatke and his team worked to ensure the appropriate level of coverage continues. We are awaiting final quotes for our property and terrorism lines anticipating the results will be the best coverage with the lowest deductible available.

Sage reviewed the third-party premiums and factors in anticipating an estimated increase of 15.3% overall from 2023. We continue to see favorable results with the insurance captive successfully limiting claims. Worldwide there has been a decrease in insurance providers based on global losses that are having a negative impact on renewal opportunities. Awaiting final confirmation from Marsh, Sage reviewed the property coverage limits and the layers of coverage provided by the captive and Travelers. Our casualty, financial and professional coverage use several providers reviewed by Sage. Exciting news is that our cyber provider, Coalition, agreed to increase our limit from \$1M to \$3M leading to a premium increase of \$21,000.

Klatke said that based on information we received from our broker and some carriers, our previous estimates were for 20% insurance premium increases in 2024, but the actual premium costs received so far are closer to 10%. He went onto review the property insurance graphic noting we are covering our own losses and reviewed the casualty/FINPRO program renewals.

CFO Sage gave a history of the insurance captive and how we have added other areas of coverage. Klatke highlighted how the captive lowers our premiums and helps to insulates us in leveraging our rate.

Chair Hall said the results look promising and an opportunity to see how the captive action has paid off. He offered that if there are any substantial changes to review in the new year, the Board would appreciate understanding what the implications are for the Home Forward Insurance Group.

There being no further discussion, Chair Hall requested a motion to approve Resolution 23-12-03, noting we are awaiting some renewals but authorizing the resolution will allow them to be acted on. Commissioner Dina DiNucci moved to adopt Resolution 23-12-03. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Abstained

Vice Chair Matthew Gebhardt—Aye

Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner Rakeem Washington—Aye

Resolution 23-12-04 Authorize Construction Contract and Funding Increase for Hazel Ying Lee Apartments

Amanda Saul, Assistant Director of General Obligation Bond Development presented the resolution. There are two resolutions related to the Hazel Ying Lee Apartments, formerly known as the Powell Project. Related to Resolution 23-12-04, construction costs are up and the request to complete construction is for \$1M. Resolution 23-12-05 is for a sponsor loan which could add up to \$6M available project funds. Saul explained the loan sources from Portland Clean Energy Funds and a Home Forward investment.

Saul provided a project background and saying construction is at 81% completion. We hope to receive a temporary certificate of occupancy at the end of February 2024. Saul highlighted the impacts to the budget increases and how we have managed expenses by reallocating unspent soft costs, as well as receiving PCEF funding to help free up additional construction expenditures. In closing, the resolutions were reviewed by the READ Committee at their December meeting with no changes to the resolution. Chair Hall adding there was a robust conversation at the READ meeting. It is a complex project that has been well managed by the Home Forward team and an impressive project that will produce a great outcome. Chair Hall wished everyone an enjoyable holiday and we will look forward to the ribbon cutting, yet to be scheduled, in the new year.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-12-04 requesting construction contract and funding increase for Hazel Ying Lee Apartments. Vice Chair Matthew Gebhardt moved to adopt Resolution 23-12-04. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Abstained
Commissioner Dina DiNucci—Aye
Commissioner Rakeem Washington—Aye

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-12-05 requesting authorization for sponsor Loan for 3000 Powell Limited

Partnership. Commissioner Dina DiNucci moved to adopt Resolution 23-12-05. Vice Chair Matthew Gebhardt seconded the motion.

The vote was as follows:

- Chair Damien Hall—Aye
- Vice Chair Matthew Gebhardt—Aye
- Treasurer Jenny Kim—Abstained
- Commissioner Dina DiNucci—Aye
- Commissioner Rakeem Washington—Aye

There being no further business, Chair Damien Hall adjourned the meeting at 6:57 PM.

Celia M. Strauss
Recorder, on behalf of
Ivory N. Mathews, Secretary

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

CONSENT CALENDAR



MEMORANDUM

To:	Board of Commissioners	Date:	January 16, 2024
From:	Juli Garvey, Interim Director of Asset Management 503.802.8457 Lewis Lyles, Project Manager of Development and Community Revitalization 503.802.8484	Subject:	Authorize Contracts for General Contractor Services with Baldwin General Contracting, Inc. to commence Sequoia Square Building Enclosure Rehabilitation Resolution 24-01-01

The Board of Commissioners is requested to authorize Home Forward to execute a contract between Home Forward and Baldwin General Contracting, Inc. for general contractor services in the amount of \$6,078,290.00. This amount encompasses the Guaranteed Maximum Price developed by Baldwin General Contracting, Inc. (BGC) to commence the Sequoia Square Building Enclosure Rehabilitation and the standard owner's contingency which is controlled by Home Forward. Construction is anticipated to commence in mid-March 2024.

These actions support Home Forward's Strategic Plan Goal to improve utilization of the existing housing portfolio while planning for future portfolio needs.

BACKGROUND

Sequoia Square Apartments is an affordable housing property on a 1.86-acre parcel in a Southeast Portland neighborhood. Sequoia Square is a three-story garden-style community of flats and townhomes built in 2001. It serves residents with incomes between 30% and 60% of area median income. It consists of 62 single room occupancy (SRO), two, three and four-bedroom apartment homes and is located on SE 160th Avenue between East Burnside Street and SE Stark Street, one block from the MAX.

In February of 2020, Home Forward hired Forensic Building Consultants (FBC) to investigate deteriorating decks at Sequoia Square. The purpose of the inspection was to assess the current condition of the decks and provide recommendations for repair or

replacement. During the inspection, FBC identified numerous wall assemblies that had extensive damage. This damage resulted in water intrusion in the building envelope. Balcony decks and wooden stairways also had many deficiencies that have led to water intrusion and resulting damage. Based on the above findings it was determined that Sequoia Square should receive a full building enclosure rehabilitation that includes new siding, doors, windows, and roofing.

In March 2023, Oregon Housing Community Services Department (OHCS) awarded Home Forward \$2.1 million in preservation funds for Sequoia Square. Home Forward will combine HUD Capital Funds and organizational reserves with the awarded OHCS preservation funds to provide the necessary funding for this project. In October 2023, FBC developed the design plans and specifications, and Home Forward issued a bid advertisement for competitive public bidding by general contractors.

OVERVIEW

This requested authorization pertains to the board approval to commence the Sequoia Square building enclosure rehabilitation project.

In December 2023, Home Forward received six bids from general contractors. BGC was the lowest responsive and responsible bid. The Guaranteed Maximum Price (GMP) was \$5,525,718. In addition to GMP Authorization, staff are requesting contract authorization for an owner-controlled contingency of \$552,572 which is equal to 10% of the Guaranteed Maximum Price amount. This contingency will be used for unexpected field conditions, increased scope of work, project upgrades and potential delays stemming from supply chain issues, as needed. The total requested authorization for construction expenditures in the attached resolution equals the sum of the GMP Amendment and the owner-controlled contingency. (See below.)

GMP	\$5,525,718.00
Owner contingency	\$ 552,572.00
	\$6,078,290.00

This total contract amount is within the current development budget.

Home Forward has an established goal of 28% participation by COBID and/or Underutilized Business Enterprise (UBE) firms. BGC projects over 30% participation.

CONCLUSION

This resolution will authorize the execution of a contract between Home Forward and BGC for general contractor services, including contingency, in the total amount of \$6,078,290.00 for the building enclosure rehabilitation of Sequoia Square Apartments.

The Real Estate and Development (READ) Committee of Home Forward's board reviewed a draft of this resolution at its January 5, 2024, meeting.



RESOLUTION 24-01-01

RESOLUTION 24-01-01 AUTHORIZES THE EXECUTIVE DIRECTOR TO EXECUTE CONTRACTS WITH BALDWIN GENERAL CONTRACTING, INC. FOR GENERAL CONTRACTOR SERVICES TO START THE BUILDING ENCLOSURE REHABILITATION OF SEQUOIA SQUARE, A 62-UNIT AFFORDABLE HOUSING DEVELOPMENT

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long-term housing for persons with low income residing in Multnomah County, Oregon; and

WHEREAS, Home Forward has identified water intrusion and resulting damage at Sequoia Square and has determined that the property should receive a full building enclosure rehabilitation that includes new siding, doors, windows, and roofing.

WHEREAS, Home Forward staff managed a competitive procurement process to select and award Baldwin General Contracting, Inc. (BGC) the contract to undertake construction services for rehabilitation of Sequoia Square; and

WHEREAS, BGC's Guaranteed Maximum Price for construction is \$5,525,718;

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioners for contract amendments in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director to execute contracts with BGC for general contracting services to start the building enclosure rehabilitation of Sequoia Square in the amount of \$5,525,718.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or her designee, to execute amendments to the contracts with BGC to spend the Home Forward controlled construction contingency in the amount of \$552,572.

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

RESOLUTIONS



MEMORANDUM

To: Board of Commissioners
Date: January 16, 2024

From: April Berg
Assistant Director, Development
503.802.8326
Subject: Authorize Part II of a Contract with
Epic Land Solutions for Relocation
Services at Peaceful Villa
Resolution 24-01-02

Myriam Demezas Jones
Relocation Project Manager
503.802.8502

The Board of Commissioners is requested to authorize Part II of a contract with Epic Land Solutions, Inc. in the amount of \$931,305 to implement the one-on-one resident relocation plan at Peaceful Villa.

Authorizing this request will bring the Epic Land Solutions contract from \$295,600 (Part I) to a total amount of \$1,226,905.00.

This action supports the 2023-2026 Strategic Plan Goal to lead within the housing stability ecosystem and use our developmental expertise to advance innovative solutions that expand supply and address community needs.

BACKGROUND

Peaceful Villa is one of the public housing properties included in the 85 Stories Initiative. It will convert from Public Housing to Section 8 rental assistance via the Rental Assistance Demonstration (RAD) program.

Built in 1948, Peaceful Villa's 70 homes consist of 8 studios, 54 one-bedroom and 8 two-bedroom units. Temporary relocation of all residents is necessary to complete the redevelopment of the property, which will include the replacement of all current Peaceful

Villa apartments and the addition of 96 new affordable homes with rental assistance. Each existing resident will have the right to return to the fully rebuilt Peaceful Villa.

In August 2023, Home Forward conducted a formal procurement process to select a relocation services provider. Staff selected Epic Land Solutions Inc. (Epic) to provide relocation services to the current residents of Peaceful Villa. As with other projects' pre-development costs, the Home Forward line of credit will fund relocation payments prior to the financial closing. After financial closing, funds received will reimburse Home Forward's line of credit.

OVERVIEW

The full scope of relocation services includes conducting housing need assessments with residents to produce a comprehensive relocation plan (Part I) and all other costs for the implementation of the relocation plan (Part II). EPIC will:

- Identify and acquire comparable housing options for the temporary relocation of current residents at Peaceful Villa.
- Explain residents' rights under the City of Portland, State of Oregon, as well as HUD's Uniform Relocation Act and RAD guidelines.
- Serve as an advocate for residents when searching for relocation options.
- Facilitate gathering income/student status information from residents when applicable.
- Provide comparable housing options and inspect units as appropriate.
- Will assist residents with claim forms, as necessary.
- Communicate relocation assistance and incentives to residents wanting to move permanently.

CONCLUSION

Home Forward staff requests that the Board of Commissioners authorize the execution of a contract amendment with Epic Land Solutions, Inc. to implement resident relocation services at Peaceful Villa in preparation of the redevelopment of the property.

The Real Estate and Development (READ) Committee of Home Forward's board reviewed a draft of this resolution at its January 5, 2024, meeting.



RESOLUTION 24-01-02

RESOLUTION 24-01-02 AUTHORIZES THE CHIEF EXECUTIVE OFFICER TO EXECUTE PART II OF A CONTRACT WITH EPIC LAND SOLUTIONS, INC. TO PROVIDE RELOCATION SERVICES TO THE CURRENT RESIDENTS OF PEACEFUL VILLA, IN PREPARATION FOR THE START OF CONSTRUCTION OF THE NEW DEVELOPMENT

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long-term housing for persons with low-income persons residing in Multnomah County, Oregon; and

WHEREAS, Home Forward staff managed a competitive procurement process to select and award Epic Land Solutions, Inc. a contract to provide relocation services to current residents of the Peaceful Villa Property; and

WHEREAS, Epic Land Solutions will develop a relocation plan appropriate to the needs of the Peaceful Villa's residents; and

WHEREAS, Epic Land Solutions will execute said relocation plan in compliance with the City of Portland, State of Oregon, and HUD relocation guidelines; and

WHEREAS, Epic Land Solutions' total relocation contract services will not exceed \$1,226,905; and

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioner for contracts in excess of \$1,000,000.00 and contract amendments in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Chief Executive Officer to execute Part II of a Contract with Epic Land Solutions, Inc. in the amount of \$931,305.00 for resident relocation services at Peaceful Villa; and

BE IT FURTHER RESOLVED, that the Board of Commissioners of Home Forward authorizes the use of Home Forward's line of credit to pay Epic Land Solutions' relocation

services.

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



MEMORANDUM

To: Board of Commissioners

Date: January 16, 2024

From: Jonathan Trutt
Director of Development
503.802.8507

Subject: Authorize Guaranteed Maximum
Price (GMP) Amendment to
Killingsworth Housing's
Construction Manager/General
Contractor (CM/GC) contract with
O'Neill/Walsh Community Builders
Resolution 24-01-03

Jeff Lane
Affordable Housing Developer
503.802.8591

The Board of Commissioners is requested to authorize:

- 1) Execute a \$33,016,551 Guaranteed Maximum Price (GMP) amendment to an existing Construction Manager/General Contractor (CM/GC) contract between Home Forward and O'Neill/Walsh Community Builders (OWCB) for Killingsworth Housing.
- 2) Expend a \$1,745,000 owner-controlled construction contingency during the course of Killingsworth Housing's construction.

This action supports the 2023-2026 Strategic Plan Goal to lead within the housing stability ecosystem and use our developmental expertise to advance innovative solutions that expand supply and address community needs.

BACKGROUND

In January 2020 Home Forward and Portland Community College (PCC) signed a Memorandum of Understanding that outlined the terms of a partnership to deliver a new workforce training center and a new multi-family affordable housing building on PCC's Opportunity Center site at the intersection of NE 42nd Avenue and NE Killingsworth Street.

In May 2020, Home Forward selected O’Neill/Walsh Community Builders (OWCB) to be the CM/GC for this project through a competitive public procurement process. OWCB was authorized to perform preconstruction services for \$103,900 through Home Forward Resolution 20-06-03.

The Opportunity Center site is being redeveloped in two phases. During the first phase, PCC built a new workforce development center on its site’s west half while continuing workforce development programming from Killingsworth Housing’s ultimate location. PCC completed the new workforce training center in August 2023, relocated staff and students to the new facility, and then completed demolition of its existing buildings to make way for Killingsworth Housing—i.e. phase two of the overall site’s redevelopment.

While construction of the workforce training center was underway, design of the 84-unit housing building was completed by Hacker Architects, construction permits were issued by the City of Portland’s Bureau of Development Services, and construction documents were put out for public bid by OWCB.

Over the course of the planning phase, the scope of pre-construction services was expanded to include:

- The addition of an early learning center to the building program;
- Design and engineering of mechanical, electrical, plumbing, and sprinkler systems; and
- Design and engineering of rooftop photovoltaic panels.

These additions total \$199,083.

In October 2023 OWCB received competitive bids from subcontractors and suppliers and developed a GMP of \$33,016,551 to build the housing. OWCB estimates Under-utilized Business Enterprises (UBEs) will complete approximately 33% of the value of the Work. Construction will begin on February 8, 2024, and substantial completion is expected on July 15, 2025.

OVERVIEW

The attached resolution authorizes construction expenditures equal to the sum of the GMP Amendment and a construction contingency reserve controlled by Home Forward. Home Forward will spend this contingency through future contract amendments to address changes to the scope of work, unforeseen conditions, and building upgrades.

GMP	\$	33,016,551
Owner's contingency	\$	1,745,000
Total, this authorization	\$	34,761,551
Total, past additions to the contract	\$	199,083
Total, CM/GC contract	\$	34,960,634

The total contract amount is within the current development budget.

CONCLUSION

This resolution will authorize:

- Increasing OWCB's contract to the GMP amount: \$33,016,551
- The approval of the expenditure of an Owner's contingency of \$1,745,000.

The Real Estate and Development (READ) Committee of Home Forward's board reviewed a draft of this resolution at its meeting on January 5, 2024.



RESOLUTION 24-01-03

RESOLUTION 24-01-03 AUTHORIZES THE CHIEF EXECUTIVE OFFICER TO EXECUTE AMENDMENTS WITH O'NEILL WALSH COMMUNITY BUILDERS FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR KILLINGSWORTH HOUSING AND THE EXPENDITURE OF A HOME FORWARD-CONTROLLED CONSTRUCTION CONTINGENCY

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long-term housing for persons with low income residing in Multnomah County, Oregon; and

WHEREAS, Home Forward staff managed a competitive procurement process to select and award O'Neill Walsh Community Builders (OWCB) the Construction Manager/General Contractor (CM/GC) contract for an 84-unit affordable housing building on Portland Community College's Opportunity Center site in NE Portland; and

WHEREAS, OWCB has received competitive bids from subcontractors and established a Guaranteed Maximum Price (GMP) of \$33,016,551 to complete the Work;

WHEREAS, OWCB has estimated that Under-utilized Business Enterprises (UBEs) will complete approximately 33% of the value of the Work;

WHEREAS, Home Forward has established an Owner's contingency of \$1,745,000;

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioners for contract amendments in excess of \$100,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Chief Executive Officer or her designee to execute an amendment with OWCB for CM/GC services in the amount of \$33,016,551;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Chief Executive Officer or her designee to execute amendments to the contracts with OWCB to spend the Owner's contingency in the amount of \$1,745,000.

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



MEMORANDUM

To:	Board of Commissioners	Date:	January 16, 2024
From:	Jonathan Trutt, Director of Development 503.802.8507 Jeff Lane Affordable Housing Developer 503.802.8591	Subject:	Authorize Execution of Documents in Connection with Financing, Transferring of Property Interests, Development, and Operation of Killingsworth Apartments Resolution 24-01-04

The Board of Commissioners is requested to authorize:

- 1) The execution and delivery of documents by Home Forward, on its own behalf and in its capacity as general partner of Killingsworth Housing Limited Partnership (the “Partnership”), in connection with the financing, development and operation of Killingsworth Apartments.
- 2) The lending of money to said Partnership.

This action supports the 2023-2026 Strategic Plan Goal to lead within the housing stability ecosystem and use our developmental expertise to advance innovative solutions that expand supply and address community needs.

BACKGROUND

Killingsworth Apartments is an 84-unit development with a mix of studio, one, two, and three-bedroom units located at 5560 NE 42nd Avenue in the Cully Neighborhood of NE Portland. Portland Community College (PCC) owns the underlying land and will be entering into a 99-year ground lease with Home Forward to allow for the construction of Killingsworth Apartments. Fifty-six (56) of the units will serve tenants earning at or below 60% of the Area Median Income (AMI). The remaining twenty-eight (28) units will serve tenants earning at or below 30% AMI via Project-Based Section 8 Vouchers (PBVs).

Key building features include:

- Approximately 4,000 square feet of ground-floor commercial space, which will be operated as an Early Learning Center (ELC) by the Native American Youth and Families Center (NAYA). The ELC will consist of three classrooms, which NAYA will lease from the partnership, for a dollar a year, for 27 years.
- On-site Property Management office and Resident Services offices.
- A large adjoining public plaza space that will host large gatherings such as farmer’s markets.
- Amenities including on-site laundry, a community room, bike storage, a playground and two courtyard spaces for residents.

NAYA referrals will have priority access to Killingsworth Housing’s 28 PBVs and support these households with resident services. These NAYA-provided resident services will be in addition to those offered to all residents by Home Forward’s full-time Resident Service Coordinator.

Previous board action related to Killingsworth includes authorization of the submission of low-income housing tax credits and funding applications (Resolutions 2020-01-21, 23-04-01), the execution of site control documentation (Resolution 2020-02-02), contracting architectural design services with Hacker Architect (Resolutions 20-02-03 and 20-06-02), and contracting with O’Neil Walsh Community Builders (OWCB) for Construction Manager / General Contractor services (Resolution 20-06-03). The January 2024 Board Agenda also includes a Guaranteed Maximum Price Amendment to the OWCB contract.

OVERVIEW

The Project budget includes the following sources:

Permanent Funders and Funding Amounts (rounded)	
Investor Equity (Wells Fargo via 4% LIHTCs)	\$25,240,000
LIFT Funds via Oregon Housing & Community Services	\$9,930,000
Metro Bond Funds via Portland Housing Bureau	\$2,540,000
Home Forward Sponsor Loan	\$2,590,000
Home Forward Deferred Developer Fee	\$800,000
American Rescue Plan Act Grant (Sponsor Loan)*	\$2,440,000
PCEF Grant (Sponsor Loan)	\$980,000
Permanent Loan via Citi Bank	\$8,300,000
TOTAL	\$52,820,000

* These funds cover all design and construction costs for the ELC.

It is scheduled to break ground on construction on February 8, 2024.

CONCLUSION

Staff requests the Board of Commissioners to authorize the execution and delivery of documents by Home Forward, on its own behalf and in its capacity as general partner of Killingsworth Housing Limited Partnership, in connection with the financing, development and operation of the Project, and to authorize the lending of money to said partnership.

Staff provided the Real Estate and Development (READ) Committee of Home Forward's board a draft of this resolution at its January 5, 2024 meeting.

ATTACHMENTS

Exhibit A Project Documents

Certificate of Secretary



RESOLUTION 24-01-04

AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS BY HOME FORWARD, ON ITS OWN BEHALF AND IN ITS CAPACITY AS GENERAL PARTNER OF KILLINGSWORTH HOUSING LIMITED PARTNERSHIP, TO EFFECTUATE THE ACQUISITION, FINANCING, AND DEVELOPMENT OF THE HOUSING PROJECT KNOWN AS THE KILLINGSWORTH APARTMENTS LOCATED IN PORTLAND, MULTNOMAH COUNTY, OREGON

WHEREAS, Home Forward seeks to encourage the provision of long-term housing for low-income persons residing in the City of Portland, Oregon (the “**City**”);

WHEREAS, ORS 456.120(18) provides that a housing authority may enter in a partnership agreement with or loan money to an individual, partnership, Housing Authority or other association to finance, plan, undertake, construct, acquire or operate a housing project; and

WHEREAS, ORS 456.065 defines “housing project” to include, among other things, “any work or undertaking ...to provide decent, safe, sanitary urban or rural housings for persons or families of lower income”; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, Home Forward has determined that it is consistent with its purposes to develop a mixed use development including 84-units of affordable housing and a commercial space (the “**Commercial Space**”) known as the Killingsworth Apartments (the “**Project**”) located at 4317 NE Killingsworth Street, Portland, OR 97218 (the “**Property**”); and

WHEREAS, for the purpose of carrying out the Project, Home Forward has formed and is general partner of Killingsworth Housing Limited Partnership, an Oregon limited partnership (the “**Partnership**”); and

WHEREAS, Home Forward Development Enterprises Corporation (“**HFDEC**”) is the initial limited partner of the Partnership; and

WHEREAS, the Property is owned by Portland Community College, a community college district under the laws of the State of Oregon (“**PCC**”); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to authorize the Partnership to ground lease the Property from PCC pursuant to a ground lease (the “**Ground Lease**”) in order for the Partnership to develop and operate the Project, for a term of approximately 99-years and at a rental rate of approximately one dollar per year; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to authorize the Partnership to lease the Commercial Space to the Native American Youth and Family Center, an Oregon nonprofit public benefit corporation (“**NAYA**”) for the purpose of developing and operating an early learning center, for a term of approximately 27-years and at a rental rate of approximately one dollar for the term of the lease (the “**NAYA Lease**”); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to authorize the Partnership to include an option to purchase (the “**Option**”) in the NAYA Lease which will require the Partnership to create a condominium and sell the Commercial Space to NAYA if the Option is exercised prior to the expiration of the NAYA Lease; and

WHEREAS, Home Forward expects that the State of Oregon acting by and through its Housing and Community Services Department (“**OHCS**”) will award the Project a reservation of 4 percent low-income housing tax credits (“**LIHTC**”); and

WHEREAS, Wells Fargo Community Investment Holdings, LLC, a Delaware limited liability company (“**WFCIH**”) or one or more of its affiliates is expected to offer to acquire a limited partner interest in the Partnership and Home Forward has determined it to be in the best interest of Home Forward, the Partnership and the Project, to admit WFCIH as an investor limited partner of the Partnership in exchange for the capital contributions to be made to the Partnership in the estimated amount of **\$25,240,000** (which may change based on factors including, but not limited to, underwriting) (the “**LP Investment**”); and

WHEREAS, upon the admission of WFCIH as a limited partner of the Partnership, HFDEC shall withdraw from the Partnership; and

WHEREAS, as a condition to acquiring the limited partner interest in the Partnership and making the LP Investment, WFCIH requires that the current Agreement of Limited Partnership of the Partnership be amended and restated in its entirety to reflect the terms of the LP Investment (the “**Amended Partnership Agreement**”) and that Home Forward and the Partnership execute and deliver certain other agreements, certificates and other instruments relating to the Partnership and the Project; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to take all actions reasonably necessary to facilitate the LP Investment in the Partnership by WFCIH by entering into all reasonably necessary agreements with WFCIH and the Partnership (collectively the “**Partnership Documents**”) and by taking such further actions as are reasonably necessary as to facilitate the LP Investment in the Partnership by WFCIH; and

WHEREAS, the State of Oregon, acting through its Treasurer and OHCS (the “**Bond Issuer**”), Citibank, N.A., as funding lender (the “**Funding Lender**”), and Zions Bancorporation, National Association as fiscal agent (the “**Fiscal Agent**”), will execute and deliver a Funding Loan Agreement (the “**Funding Loan Agreement**”) pertaining to a loan made to the State of Oregon acting by and through its State Treasurer and Housing and Community Services Department (the “**Governmental Lender**”) by the Funding Lender (the “**Funding Loan**”), the proceeds of which will be loaned (the “**Borrower Loan**”) to the Partnership, to finance the acquisition, redevelopment, construction and equipping of the Project, pursuant to a Borrower Loan Agreement (the “**Borrower Loan Agreement**”), between the Governmental Lender, Fiscal Agent, and the Partnership. The Funding Loan will be evidenced by a Housing Development Revenue Note (the “**Governmental Lender Note**”) in the approximate amount of up to **\$29,232,000**, which amount may change based on underwriting. The Partnership’s repayment obligations with respect to the Project Loan is evidenced by a Multifamily Note (the “**Borrower Note**”) in a like amount as the Governmental Lender Note, delivered to the Governmental Lender by the Partnership, which Borrower Note will be endorsed by the Governmental Lender to the Funding Lender as security for the Funding Loan;

WHEREAS, Wells Fargo Bank, National Association (the “**Construction Lender**”) has agreed to advance proceeds of a loan during construction of the Project in an approximate amount of up to **\$29,232,000** (the “**Construction Loan**”), which amount may change based on underwriting. The Construction Loan will be repaid with proceeds of the Borrower Loan, which will provide a portion of the permanent financing for the Project in the amount of up to **\$8,300,000**, as such amount may change based on underwriting;

WHEREAS, the Construction Loan and will be evidenced by those documents listed on Exhibit A attached hereto, and such other documentation as may be reasonably required in connection with the making of the Construction Loan to Partnership (collectively, the “**Construction Loan Documents**”);

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, as a guarantor of the Construction Loan, and as developer of the Project, to enter into any environmental indemnity, assignment and subordination of developer agreement, payment guaranty agreement and completion guaranty agreement which may be required by Construction Lender under the Construction Loan Documents;

WHEREAS, in connection with the Funding Loan, the Partnership and Home Forward will be required to execute to execute the documents listed on Exhibit A, and such other documents as may be required by the Governmental Lender (together, the “**Issuer Documents**”);

WHEREAS, in connection with the Borrower Loan, the Partnership and Home Forward will be required to execute to execute the documents listed on Exhibit A, and such other documents as may be required by the Funding Lender (together, the “**Borrower Loan Documents**”);

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, as a guarantor of the Project Loan, and as developer of the Project, to enter into any environmental indemnity, assignment and subordination of developer agreement, payment guaranty agreement and completion guaranty agreement which may be required by Funding Lender under the Borrower Loan Documents;

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project, to enter into such agreements as are reasonably necessary for the Partnership to obtain a loan in the amount of up to **\$9,930,000** of LIFT program funds from OHCS (the “**LIFT Loan**”);

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project, to enter into such agreements as are reasonably necessary for the Partnership to obtain a loan in the amount of up to **\$2,538,237** of Metro bond funds from the City of Portland, acting by and through its Portland Housing Bureau (“**PHB**”) (the “**PHB Loan**”);

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to enter into such agreements as are reasonably necessary to make loan of funds from Home Forward to the Partnership in the amount of up to **\$3,000,000** (the “**Sponsor Loan No. 1**”) for a term and at an interest rate as shall be determined by an Authorized Officer (such determination to be conclusively demonstrated by the signature of any Authorized Officer on such document); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to enter into such agreements as are reasonably necessary to obtain a grant in the approximate amount of **\$800,000** of American Rescue Plan Act funds (the “**HF ARPA Grant**”) from State of Oregon, acting through its Oregon Department of Administrative Services and a loan in the amount of up to **\$2,300,000** from NAYA of American Rescue Plan Act funds (the “**NAYA ARPA Loan**”) and thereafter for Home Forward to lend the proceeds of the HF ARPA Grant and NAYA ARPA Loan to the Partnership (“**Sponsor Loan No. 2**”) for a term and at an interest rate as shall be determined by an Authorized Officer (such determination to be conclusively demonstrated by the signature of any Authorized Officer on such document); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to enter into such agreements as are reasonably necessary to obtain a grant in the approximate amount of **\$983,527** of Portland Clean Energy Funds (the “**PCEF Grant**”) from PHB and thereafter, for Home Forward to lend the proceeds of such PCEF Grant to the Partnership (“**Sponsor Loan No. 3**”) for a term and at an interest rate as shall be determined by an Authorized Officer (such determination to be conclusively demonstrated by the signature of any Authorized Officer on such document); and

WHEREAS, additional financing for the development of the Project will be in the form of a capital contribution from Home Forward in the approximate amount of **\$100** (the “**Home Forward Equity Contribution**”); and a deferred development fee in an approximate amount of **\$800,000** (the “**Deferred Fee**”) (as each such amount may change based on underwriting); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward the Partnership, and the Project to cause Home Forward to enter into an Agreement to Enter into Housing Assistance Payment Contract with the Partnership and a Housing Assistance Payment Contract with the Partnership (collectively the “**HAP Contract**”) to subsidize 28 units in the Project with Project-Based Section 8 rental subsidies; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to engage Home Forward as the developer and resident services provider for the Project; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project for Home Forward to engage in an RFP process to identify a qualified property manager for the project and for the Partnership to subsequently engage the chosen entity as the property manager for the Project; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to authorize the execution and delivery of certain agreements for architectural, construction, property management, and technical related services related to the Project (the “**Project Documents**”); and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project for Home Forward and NAYA to assign to the Partnership certain Project Documents Home Forward or NAYA entered into prior to the admission of WFCIH as the limited partner; and

WHEREAS, the Board of Commissioners of Home Forward desires to authorize the transactions described above, authorize the negotiation, execution and delivery of documents in connection with such transaction, to delegate authority to certain individuals to execute documents on behalf of Home Forward in its own corporate capacity and as the general partner of the Partnership, and to ratify certain actions pertaining to these transactions taken prior to the date of this resolution; and

WHEREAS, ORS 456.135 authorizes Home Forward and/or the Partnership to delegate to one or more of its agents and employees such powers as it deems proper.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF HOME FORWARD, IN ITS OWN CAPACITY AND ITS SEPARATE CAPACITY AS THE GENERAL PARTNER OF THE PARTNERSHIP, ADOPTS THE FOLLOWING RESOLUTIONS:

1. **RESOLVED**, that Home Forward ratifies and affirms its actions in the formation of the Partnership.
2. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to enter into

the Ground Lease between PCC and the Partnership with such terms and conditions as any single Authorized Officer (as hereinafter defined) shall approve (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).

3. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to enter into the NAYA Lease between NAYA and the Partnership with such terms and conditions as any single Authorized Officer (as hereinafter defined) shall approve (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
4. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents as may be required to receive the LIHTC, including but not limited to those documents listed in **Exhibit A**, in the form approved by any single Authorized Official (such approval to be conclusively demonstrated by the signature of any single Authorized Official on such documents).
5. **RESOLVED**, that Home Forward is authorized to negotiate, execute and deliver on behalf of Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, a letter of intent relating to an anticipated Amended Partnership Agreement of the Partnership among Home Forward as the general partner, HFDEC as the withdrawing limited partner, and WFCIH, in the form approved by any single Authorized Official (such approval to be conclusively demonstrated by the signature of any single Authorized Official on such documents).
6. **RESOLVED**, that Home Forward is authorized to negotiate, execute and deliver on behalf of Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, the Partnership Documents listed on the attached **Exhibit A** (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the LP Investment by WFCIH, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).

7. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents as may be required to close on the Construction Loan, Funding Loan, and Borrower Loan, including those documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the Construction Loan, Funding Loan, and Project Loan, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
8. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents necessary to close on the LIFT Loan including those documents listed on the attached Exhibit A, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
9. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents necessary to close on the PHB Loan including those documents listed on the attached Exhibit A, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
10. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents as may be required to close on the PCEF Grant, the HF ARPA Grant, and the NAYA Loan and to make Sponsor Loan No. 1, Sponsor Loan No. 2, and Sponsor Loan No. 3 to the Partnership, including but not limited to the execution and delivery of those documents set forth on Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the PCEF Grant, the HF ARPA Grant, NAYA Loan, Sponsor Loan No. 1, Sponsor Loan No. 2, and Sponsor Loan No. 3, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).

11. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents as may be required to make and close on the Home Forward Equity Contribution.
12. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents necessary to close on the HAP Contract, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
13. **RESOLVED**, that Home Forward is authorized to serve as the resident services provider of the Project and to negotiate, execute and deliver on behalf of Home Forward or the Partnership, as the case may be, the documents necessary to engage Home Forward as property manager and resident services provider of the Project, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
14. **RESOLVED**, that Home Forward is authorized to engage in an RFP process to identify a qualified property manager for the Project, and to negotiate, execute and deliver on behalf of Home Forward or the Partnership, as the case may be, the documents necessary to engage the chosen entity as property manager of the Project, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
15. **RESOLVED**, that Home Forward is authorized to serve as developer of the Project and to negotiate, execute and deliver on behalf of Home Forward or the Partnership, as the case may be, the documents necessary to engage Home Forward as developer and to defer the Deferred Fee, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
16. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver all contracts and other documents respecting the design, construction,

and technical assistance for the Project, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).

17. **RESOLVED**, that Home Forward is authorized to assign to the Partnership and the Partnership is authorized to assume the Project Documents entered into by Home Forward before WFCIH was admitted as limited partner, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).
18. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute, deliver and/or file (or cause to be delivered and/or filed) any affidavits, certificates, letters, government forms, documents, agreements and instruments determined to be necessary or desirable: (i) to give effect to this resolution and/or (ii) to consummate the transactions contemplated herein;
19. **RESOLVED**, that any action required by this Resolution is authorized to be taken by Ivory N. Matthews, Chief Executive Officer of Home Forward, Matthew Gebhardt, Chair of the Board, Kitty Miller, Chief Administrative Officer of Home Forward, or Kandy Sage, –Chief Financial Officer of Home Forward, or the respective successors or assigns of each (each individually, an “**Authorized Officer**”), and each of them acting alone, is authorized to take action as an Authorized Officer, and in the absence of such Authorized Officer, may be taken by the duly authorized acting Executive Director of Home Forward, Chair of the Board, acting Deputy Executive Director of Home Forward, or acting Deputy Executive Director - Finance of Home Forward, respectively.
20. **RESOLVED**, that Home Forward is authorized to expend such funds (and to cause the Partnership to expend such funds) as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.
21. **RESOLVED**, that any Authorized Officer is authorized to negotiate, execute and deliver on behalf of Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, as the case may be, such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Officer shall deem necessary or desirable to carry

out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any single Authorized Officer on such document); and

22. **RESOLVED**, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered, or performed by an Authorized Officer named in these Resolutions on behalf of Home Forward (whether in its own capacity, or as the General Partner) or the Partnership and in furtherance of the Project, the same is hereby ratified and affirmed.

23. **RESOLVED**, that each Authorized Office is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or capital contribution by an amount up to \$1,000,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The Board directs the Chief Executive Officer to report to the Board if the total amount borrowed by the Partnership for the Development exceeds the aggregate maximum principal amount stated in this resolution for all loans to the Partnership.

This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

EXHIBIT A
LIST OF TRANSACTION DOCUMENTS

Below is a list of the anticipated transaction documents for the financial closing of Killingsworth Apartments Project:

PARTNERSHIP DOCUMENTS

1. Letter of Intent
2. Amended and Restated Agreement of Limited Partnership
3. Development Agreement
4. Such other documents as are required in connection with the Partnership Documents.

CONVEYANCE & REAL ESTATE DOCUMENTS

1. Ground Lease
2. Memorandum of Ground Lease
3. NAYA Lease

LIHTC DOCUMENTS

1. 4% Low-Income Housing Tax Credit Declaration of Land Use Restrictive Covenants
2. 4% Tax Credit Indemnity and Hold Harmless Agreement
3. 4% Low-Income Housing Tax Credit Reservation and Extended Use Agreement
4. Tripartite Agreement

ISSUER DOCUMENTS

1. Funding Loan Agreement
2. Project Loan Agreement
3. Regulatory Agreement
4. Note Declaration
5. Governmental Lender Note
6. Tax Certificate and Agreement
7. Priority and Subordination Agreement
8. Such other documents as are required in connection with the Issuer Documents.

BORROWER LOAN DOCUMENTS

1. Construction Funding Agreement
2. Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing
3. Assignment of Deed of Trust and Loan Documents
4. Multifamily Note
5. Assignment and Subordination of Developer Fees
6. Assignment of Architect's Agreement and Plans and Specifications
7. Assignment of Equity Investor Capital Contributions, Pledge and Security Agreement
8. Assignment of Equity Interests, Pledge and Security Agreement
9. Assignment of Construction Contract

10. Assignment of HAP Contract
11. Assignment of Management Agreement
12. Assignment of Project Documents
13. Agreement of Environmental Indemnification
14. Completion and Repayment Guaranty
15. Exceptions to Non Recourse Guaranty
16. Authorization to Request Advances
17. Replacement Reserve Agreement
18. Deposit Account Control Agreement
19. Title Escrow Agreement
20. UCC-1 Financing Statement – county fixture filing
21. UCC-1 Financing Statement – SOS mortgaged property filing
22. UCC-1 Financing Statement – SOS developer fee
23. UCC-1 Financing Statement – SOS equity interests
24. Joint Lending Agreement
25. Intercreditor Agreement
26. Such other documents as are required in connection with the Project Loan.

Construction Loan Documents

1. Agreement to Disburse Prior to Recording
2. Assignment and Subordination of Development Agreement
3. Assignment of AHAP Contract
4. Assignment of Architect Agreement
5. Assignment of Construction Agreements
6. Assignment of Property Management Agreement
7. Borrower Certificate
8. Completion Guaranty
9. Deed of Trust
10. Disbursement Instruction Agreement
11. Guarantor Certificate
12. Hazardous Materials Indemnity
13. Building Loan Agreement
14. Pledge Agreement
15. Promissory Note
16. Repayment Guaranty
17. Such other documents as required in connection with the closing of the Construction Loan.

PHB Loan Documents

1. Metro Bond Loan Agreement
2. Metro Bond Regulatory Agreement and Declaration of Land-Use Restrictive Covenants
3. Promissory Note (Metro Housing Bond)
4. SDC Exemption Regulatory Agreement
5. Inclusionary Housing Covenant

6. Metro Housing Bond Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents
7. Replacement Reserve Agreement
8. Operating Reserve Agreement
9. Such other documents as are required in connection with closing of the PHB Loan

LIFT LOAN DOCUMENTS

1. Loan Agreement
2. Note
3. Guaranty
4. Trust Deed
5. Operating Agreement
6. Project Management Agreement
7. Intercreditor Agreement
8. Such other documents as required in connection with the closing of the LIFT Loan.

SPONSOR LOAN DOCUMENTS

1. Promissory Note(s)
2. Trust Deed(s)

HAP CONTRACT DOCUMENTS

1. Agreement to Enter Into Housing Assistance Payments Contract
2. Housing Assistance Payments Contract

OTHER DOCUMENTS

1. Property Management Agreement
2. Resident Services Agreement
3. PCEF Grant Documents
4. HF ARPA Grant Documents
5. NAYA Loan Documents
6. Project Documents

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Chief Executive Officer and Secretary of Home Forward and keeper of the records of Home Forward, CERTIFY:

1. That the attached Resolution 24-01-04 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of Home Forward, as adopted at a meeting of Home Forward held on January 16, 2024, and duly recorded in the minute books of Home Forward.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of Home Forward present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of January, 2024.

HOME FORWARD

Ivory N. Mathews, Secretary



MEMORANDUM

To: Board of Commissioners Date: January 16, 2024

From: Christina Dirks Subject: Authorize Changes to Chapter 7,
Director of Policy and Planning 8, 9, and 12 of the Administrative
503.802.8554 Plan
Resolution 24-01-05

The Board of Commissioners is requested to authorize changes to Chapter 7, 8, and 9 of Home Forward’s Administrative Plan. These changes are made to implement Home Forward’s latest approved Activities under the 24th Year Moving to Work (MTW) Annual Plan by the U.S. Department of Housing and Urban Development (HUD).

These actions support Strategic Plan Priorities: Improve Services to Residents and Participants; and Lead Within the Housing Stability Ecosystem.

BACKGROUND

Home Forward’s designation as an MTW agency affords regulatory relief in the administration of the Housing Choice Voucher program (formerly known as “Section 8”) and Public Housing operating subsidies and capital allocations, as well as the ability to waive certain HUD regulations in favor of locally developed policies and initiatives for the benefit of residents, participants, and the community. All activities that use MTW authority must support at least one of three MTW objectives: (1) reduce costs and increase efficiencies; (2) increase housing choice for low-income families; and (3) provide incentives to families to become economically self-sufficient. Home Forward’s current ten-year agreement with HUD preserves the agency’s MTW designation until 2028.

OVERVIEW

HUD’s approval of the Year 24 MTW approved all of the following activities. HUD’s approval letter indicates that implementation of Activity 24 pertaining to rent assistance termination reform required execution of a Ninth Amendment to Home Forward’s Moving to Work contract. This Ninth Amendment has been agreed to in form by HUD, and executed by Home Forward CEO Ivory Mathews, and merely awaits final execution by HUD Principal Deputy Assistant Secretary Richard Monocchio. Accordingly, staff seek the following amendments, with implementation of Chapter 12 amendments conditioned upon final execution of this Ninth Amendment.

Home Forward is proposing the following changes to Chapters 7, 8, 9, and 12 of the Administrative Plan in order to give effect to the following approved MTW Activities.

Activity No. 23: Modifies the parties with the ability to conduct functions with the Housing Choice Voucher (HCV) program to consolidate the agency’s use of staff.

Administrative Plan: Chapter 8	
Current policy	Amended policy (MTW Activity)
<p>Third-party entities are responsible for performing various functions for HCV program.</p> <p><i>For a list of programmatic functions, please see Attachment: Third Party Entities Functions Under HCV Program.</i></p>	<p>Agency staff are permitted to perform various functions for the HCV program.</p>

Activity No. 24: Limits permissible basis for termination of housing assistance with the HCV program to reduce the loss of housing assistance.

Administrative Plan: Chapter 12	
Current policy	Amended policy upon full execution of the Ninth Amendment (MTW Activity)
<p>Housing assistance is discontinued by the agency after the housing assistance payment is reduced to zero for 180-days due to an income increase.</p>	<p>Housing assistance is discontinued by the agency when the housing assistance payment is reduced to zero for 365-days due to an income increase.</p>
<p>Housing assistance will be terminated upon an eviction for serious or repeated lease violations.</p>	<p>Housing Assistance will not be terminated upon an eviction.</p>

Housing assistance will be terminated if a household is absent from a unit for 180-days under any circumstance.	Housing assistance through the HCV program will be terminated if a household is absent from a unit for 270-days when attending an institutional setting and 180-days for all other circumstances.
A program participant may be terminated for failing to comply with the Statement of Family Obligations that includes discretionary obligations and family obligations inconsistent with Activity 24.	A program participant may be terminated for failing to comply with certain, but not all, family obligations.

Activity No. 25: Utilizes funding with discretion in order to preserve and expand affordable housing units.

No Administrative Plan changes required for implementation of this Activity.

Activity No. 26: Allows a Housing Assistance Payments (HAP) contract to be executed and payments to be commenced with two adapted authorizations in order to expedite the process of accessing housing and housing assistance.

Administrative Plan: Chapter 8; 9	
Current policy	Amended policy (MTW Activity)
The agency must conduct a unit inspection and confirm Housing Quality Standards (HQS) are met prior to the execution of a HAP contract and payments being commenced.	A HAP contract may be executed and payments may be commenced following the self-certification of “no life-threatening conditions” for a unit by the unit owner. Following self-certification, an inspection by the agency must occur within 60-days.
The HAP contract and the lease terms may include no discrepancies in order for the HAP contract to be executed and for payments to be commenced.	The HAP contract may be executed and payments may be commenced with minor discrepancies between the HAP contract and the lease terms.
The HAP contract must be executed within 60 days of the initial date of the lease term.	The HAP contract may be executed within 120 days of the initial date of the lease term.

Activity No. 27: Permits the option to use a more accessible form of the initial income verification for a household to access housing and housing assistance more quickly.

Administrative Plan: Chapter 7	
Current policy	Amended policy (MTW Activity)
<p>The agency must use a hierarchy to conduct the initial verification of income for housing assistance as follows:</p> <ul style="list-style-type: none"> • Up-front Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) system • UIV using a non-HUD system • Written Third-party Verification (may be provided by applicant or participant) • Written Third-party Verification Form • Oral Third-party Verification • Self-Certification 	<p>A self-certification of income may be used to complete the initial income verification for housing assistance by submitting an affidavit with the agency verifying the self-certified income using the EIV system when applicable.</p>

CONCLUSION

Accordingly, staff request approval of Chapters 7, 8, 9, and 12 Administrative Plan changes.

ATTACHMENTS

- Third-Party Entities Functions Under HCV Program
- Chapter 7 Administrative Plan (Redlined)
- Chapter 7 Administrative Plan (Blacklined)
- Chapter 8 Administrative Plan (Redlined)

- Chapter 8 Administrative Plan (Blacklined)
- Chapter 9 Administrative Plan (Redlined)
- Chapter 9 Administrative Plan (Blacklined)
- Chapter 12 Administrative Plan (Redlined)
- Chapter 12 Administrative Plan (Blacklined)



RESOLUTION 24-01-05

RESOLUTION 24-01-05 AUTHORIZES HOME FORWARD STAFF TO AMEND CHAPTERS 7, 8, 9, AND 12 OF HOME FORWARD'S ADMINISTRATIVE PLAN

WHEREAS, the Department of Housing and Urban Development (HUD) permits a Public Housing Authority to amend and modify an Administrative Plan with Board of Commissioner approval; and

WHEREAS, on July 6, 2023, HUD approved Home Forward's 24th Year MTW Annual Plan giving rise to amendments to Chapters 7, 8, and 9 of Home Forward's Administrative Plan;

WHEREAS, HUD's Year 24 Plan approval conditioned implementation of Activity 24 pertaining to rent assistance termination reform, contained in Chapter 12 of the Administrative Plan, on execution of a Ninth Amendment to Home Forward's MTW Contract, which has been agreed to in form and awaits final execution by HUD;

WHEREAS, Home Forward proposes amendments to Chapters 7, 8, 9, and 12 of the Administrative Plan to implement the new Activities approved through the 24th Year MTW Annual Plan and pending Ninth Amendment to the MTW Agreement; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that Home Forward staff is authorized to make the changes to Chapters 7, 8, 9, and 12 of the Administrative Plan outlined in the January 16, 2024 Memorandum and attachments from Home Forward staff to the Board of Commissioners.

ADOPTED: JANUARY 16, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

ATTACHMENT: Third-Party Entities Functions Under HCV Program

Function	Applicable Program: Regulatory Basis
Review the PHA's PBV selection process	PBV: 24 CFR §983.51(e)
Establish PBV contract rents (initial rent to owner and redetermined rent to owner)	PBV: 24 CFR §983.59(b)(1) PBV: 24 CFR §983.301(g)
Determine rent reasonableness	PBV: 24 CFR §983.303(f)(1) HCV: 24 CFR §982.352(b)(1)(iv)(A)(1)
Provide a copy of the rent reasonableness determination to the PHA and the HUD field office where the project is located	PBV: 24 CFR §983.303(f)(2)
Notify the PHA and the family of the rent reasonableness determination	HCV: 24 CFR §982.352(b)(1)(iv)(A)(1)
Assist the family in negotiating the rent with the owner	HCV: 24 CFR §982.352(b)(1)(iv)(A)(2)
Establish term of initial and any renewal HAP contract as required in 24 CFR §983.205	PBV: 24 CFR §983.59(b)(2)
Inspect units	PBV: 24 CFR §983.59(b)(3) PBV: 24 CFR §983.103(f)(1) HCV: 24 CFR §982.352(b)(1)(iv)(A)(3)
Provide a copy of the inspection report to PHA and HUD field office where the project is located	PBV: 24 CFR §983.103(f)(2) and (3)
Communicate the results of the inspection to the family and the PHA	HCV: 24 CFR §982.352(b)(1)(iv)(A)(3)

Chapter 7

VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2010-19]

INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551].

Consent Forms

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

PHA Policy (MTW)

The PHA will use its equivalent form in place of form HUD-9886, Authorization for Release of Information/Privacy Act Notice.

Penalties for Failing to Consent [24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with PHA procedures.

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH 2010-19]

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that the PHA will use are:

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

Each of the verification methods is discussed in subsequent sections below.

Requirements for Acceptable Documents

PHA Policy

Any documents used for verification generally must be dated within 60 calendar days of the PHA request date. Original documents are preferred. The documents must not be damaged, altered or in any way illegible.

The PHA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides semi-annual reports, the PHA would accept the most recent report.

Print-outs from web pages are considered original documents.

The PHA staff member who views the original document must make a photocopy, annotate the copy with the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the PHA.

Income Verification at Admission

PHA Policy (MTW)

The PHA may consider self-certification the highest form of income verification at admission. Self-certification may be accepted as documentation of reported income, assets, expenses and known pending income at admission.

Applicants may provide third-party documentation which represents the applicant's income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PHA's request. Original documents are preferred. The documents must not be damaged, altered, or in any way illegible. Printouts from webpages are considered original documents.

Third-party confirmation of income may be voluntarily submitted within 60-days prior to admission or voucher assistance.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

When available, the PHA will use the EIV tool to compare and confirm income reported from self-certification. The PHA may require a repayment plan as outlined in Chapter 16 or propose termination as outlined in Chapter 12 if any material discrepancies arise. The PHA will incorporate additional procedures to remind families of the obligation to

If the PHA later determines that an ineligible family received assistance, the PHA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

- Formatted: Font: 6 pt
- Formatted: No underline
- Formatted: Font: 6 pt
- Formatted: Indent: First line: 0.5", Space Before: 0 pt
- Formatted: Indent: Left: 0.5", Space Before: 0 pt
- Formatted: Font: 6 pt
- Formatted: Indent: First line: 0.5", Space Before: 0 pt
- Formatted: Indent: Left: 0.5", First line: 0"
- Formatted: Font: 6 pt
- Formatted: Font: 6 pt
- Formatted: Indent: Left: 0.5"
- Formatted: Indent: First line: 0.5", Space Before: 0 pt
- Formatted: Font: 6 pt
- Formatted: Font: 6 pt
- Formatted: Indent: First line: 0.5", Space Before: 0 pt

File Documentation

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2010-19].

7-I.C. UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be

taken until the PHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

See Chapter 6 for the PHA's policy on the use of UIV/EIV to project annual income.

7-I.D. ENTERPRISE INCOME VERIFICATION TOOL

Up-front Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. The EIV system contains data showing earned income, unemployment benefits, social security benefits and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

EIV Income Reports

The data shown on income reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

PHA Policy

The PHA will obtain income reports for regular reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income reports will be compared to family-provided information as part of the regular reexamination process. Income reports may be used in the calculation of annual income, as described in Section 6-I.C. Income reports may also be used to meet the regulatory requirement for third-party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information are described in Section 6-I.C and in this chapter.

Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify and calculate earned income, unemployment benefits, social security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in participant files with the applicable regular or interim reexamination documents.

When the PHA determines through income reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

EIV Identity Verification

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

PHAs are required to use EIV’s *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

PHA Policy

The PHA will identify participants whose identity verification has failed by reviewing EIV’s *Identity Verification Report* on a monthly basis.

The PHA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the PHA determines that discrepancies exist due to PHA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

Written Third-Party Verification [Notice PIH 2010-19]

When the PHA determines annual income based on actual past income information available in EIV in accordance with policies in Chapter 6, the PHA is not required to obtain third-party documentation of that income (e.g., pay stubs, payroll summary report, unemployment monetary benefit notice) [Notice PIH 2013-3].

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

PHA Policy (when third-party verification is required)

Third-party documents provided by the family must be dated within 60 days of the PHA request date.

Due to the PHA policy on conducting initial eligibility reviews and subsequent reexaminations by mail, copies of third-party documents provided by the family are acceptable.

The PHA may reject documentation provided by the family if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that third-party documents provided by the family are not acceptable, the PHA will explain the reason to the family and request additional documentation.

As verification of earned income, the PHA will require the family to provide pay stubs covering the 60-day period prior to the PHA's request.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

A written third-party verification form is mandatory when there is an unreported source of income or a substantial difference in reported income (\$2400 annually or more) and there is no UIV or tenant-provided documentation to support the income discrepancy.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

PHA Policy

The PHA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the PHA.

In cases when third-party verification form is hand-carried by the family, the PHA will make a follow-up telephone call to verify the accuracy of the information provided. The PHA will record on the verification form the name and title of the person contacted, the date and time of the conversation, the telephone number used, and the facts provided.

Oral Third-Party Verification [Notice PIH 2010-19]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

PHA Policy

In collecting third-party oral verification, PHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the PHA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

When Third-Party Verification is Not Required [Notice PIH 2010-19]

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

PHA Policy

If the family cannot provide third-party documents, the PHA will not pay the service charge required to obtain third-party verification, and a self-certification will be acceptable as the only means of verification.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

PHA Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

Self-certification of Assets of \$5,000 or Less [Notice PIH 2013-3]

Notice PIH 2013-03 established temporary provisions allowing PHAs to accept family self-certification of assets when the total net value of the family's assets does not exceed \$5,000. The option reduces administrative burden by eliminating the time-consuming verification process for assets which have minimal impact on the family's subsidy level. The temporary provisions established by the Notice apply to the HCV and Moderate Rehabilitation programs and have been extended by Notice PIH 2013-26 until March 31, 2015.

The family's self-certification on application and reexamination forms may be accepted when all adult family members sign the applicable form.

The PHA must continue to report all assets on Form HUD-50058, including assets of families with net assets which do not exceed \$5,000.

If the family's assets exceed \$5,000 in net value, the PHA must verify the assets according to existing PHA policy.

PHA Policy (MTW)

This policy applies to the programs referenced above and will be available to the PHA until March 31, 2015 for Section 8 non-MTW programs and on a permanent basis for Section 8 MTW programs.

For families whose assets do not exceed \$5,000 in net value, the PHA will accept family self-certification of asset value and anticipated income.

The PHA may require additional verification if necessary to document that assets do not exceed \$5,000 in net value.

7-I.E. SELF-CERTIFICATION

When HUD requires third-party verification, self-certification, or “tenant declaration,” is used as a last resort when the PHA is unable to obtain third-party verification.

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family’s file must be documented to explain why third-party verification was not available.

PHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

PART II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

PHA Policy

The PHA will require families to furnish verification of legal identity for each household member. Acceptable forms of verification include, but are not limited to, the following:

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Naturalization papers Current, valid driver's license or Department of Motor Vehicles identification card Current, valid state-issued photo ID U.S. military discharge (DD 214) Current, valid U.S. passport Current, valid employer identification card	Certificate of birth Adoption papers Court-awarded custody agreement Health and Human Services ID Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a participant.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2012-10]

The family must provide documentation of a valid social security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include, existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

Note that an individual who previously declared to have eligible immigration status may not change his or her declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The PHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)

- An original SSA-issued document, which contains the name and SSN of the individual

- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

PHA Policy

Due to the PHA policy on conducting initial eligibility reviews and subsequent reexaminations by mail, copies of documents provided by the family are acceptable.

The PHA may reject documentation provided by the family if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that a document provided by the family is not acceptable, the PHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

PHA Policy

In case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the PHA will terminate the individual's assistance.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the PHA determines that the family's failure to comply was due to unforeseen circumstances and was outside of the family's control.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PHA Policy

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

The social security numbers of household members, such as live-in aids, must be verified for the purpose of conducting criminal background checks.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members.

PHA Policy

If an official record of birth cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded).

Age must be verified only once during continuously-assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

PHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a separation or divorce, the PHA will require the family to provide documentation of the divorce or separation.

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

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

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

Absence of Adult Member

PHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill). If the documentation is not available, certification by the head of household will be accepted.

Foster Children and Foster Adults

PHA Policy

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

7-II.E. VERIFICATION OF STUDENT STATUS

General Requirements

PHA Policy

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

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports child care expenses to enable a family member to further his or her education.

The family includes a student enrolled in an *institution of higher education*.

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

PHA Policy

In accordance with the verification hierarchy described in Section 7-1.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see Exhibit 3-2 in Chapter 3).

The student is at least 24 years old.

The student is a veteran, as defined in Section 3-II.E.

The student is married.

The student has at least one dependent child, as defined in Section 3-II.E.

The student is a person with disabilities, as defined in Chapter 3, and was receiving HCV assistance as of November 30, 2005.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see Section 7-III.J) or the student's independence from his/her parents (see below).

Independent Student

PHA Policy

The PHA will verify a student's independence from his/her parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

Either reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year, or verifying the student meets the U.S. Department of Education's definition of *independent student* (see Section 3-II.E)

Reviewing the student's prior year income tax returns to verify the student is independent or verifying the student meets U.S. Department of Education's definition of *independent student* (see Section 3-II.E)

Requesting and obtaining a written certification from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is \$0, except in cases in which the PHA determines that the student is a *vulnerable youth* (see Section 3-II.E).

7-II.F. DOCUMENTATION OF DISABILITY

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at <http://www.hhs.gov/ocr/privacy/>.

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance.

Family Members Receiving SSA Disability Benefits

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions [VG, p. 23].

PHA Policy

For family members claiming disability who receive disability benefits from the SSA, the PHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD’s EIV System is not available, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter they will be required to provide it to the PHA.

Family Members Not Receiving SSA Disability Benefits

Receipt of veteran’s disability benefits, worker’s compensation, or other non-SSA benefits based on the individual’s claimed disability are not sufficient verification that the individual meets HUD’s definition of disability in 24 CFR 5.403.

PHA Policy

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

PHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

PHA Verification [HCV GB, pp. 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in Section 7-II.C of this plan. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

7-II.H. VERIFICATION OF PREFERENCE STATUS

The PHA must verify any preferences claimed by an applicant that determined placement on the waiting list.

PHA Policy

The preferences offered by the PHA are listed in Chapter 4. Third-party verification of all preferences will be completed prior to granting the preference and issuance of a voucher. The PHA will verify preferences as follows:

1. Families that are currently served in another permanent housing assistance program administered by the PHA when the family is experiencing domestic violence, dating violence, sexual assault or stalking, and is in significant danger and must relocate

The PHA will require the following verification:

HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation), or alternate documentation allowed by form HUD-5382;

Written certification from a service provider verifying the participant is in significant danger and must relocate which will likely result in the need for the participant to receive a tenant-based voucher; and

Program transfer authorization form completed and signed by the Director of Housing Choice Vouchers, Director of Homeless Initiatives, or Housing Program Manager

2. Families that are currently served (or have been certified, or have reached the top of the waiting list) in another permanent housing assistance program administered by the PHA when the other program is unable to appropriately house and serve the family

The PHA will require the following documentation:

Documentation of the reason(s) why family cannot be served by another permanent housing assistance program; and

Approval of both Rent Assistance director and the director of the other program.

When a preference has been granted based on a specific need (i.e. a unit with accessible entrance), the Section 8 subsidy may only be used for a unit which cures the condition for which the preference was granted.

3. Youth that are currently served in the Family Unification Program (FUP) administered by the PHA whose FUP voucher is expiring due to the 36-month statutory time limit, or youth that are currently served in the FUP rental assistance extension program administered by the PHA

The PHA will require the following verification:

Verification of disability in accordance with policies in Section 7-II.F of this chapter; and

Written referral from the current FUP case manager of record (DHS, Homeless Youth Continuum, or another agency) certifying that the youth will have a lack of adequate housing as a result of the expiration of FUP voucher or FUP rental assistance extension and needs a tenant-based voucher to ensure uninterrupted housing assistance.

4. Families that are currently served by the PHA in a Continuum of Care funded, permanent supportive housing project and no longer need supportive services to maintain housing stability.

The PHA will require the following verification:

Written certification from Continuum of Care program Sponsor Agency verifying the family does not require permanent supportive housing to maintain housing stability;

Written certification from Continuum of Care participant family indicating that the family voluntarily chooses to pursue the preference and application for a Housing Choice Voucher; and

Program transfer authorization signed by Director of Homeless Initiatives and Director of Housing Choice Voucher Program.

5. Families exiting homelessness that are currently served by Multnomah County’s Homeless Family System of Care

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family was selected and referred to the PHA in accordance with criteria outlined in the Memorandum of Understanding (MOU) between the partner agency and the PHA.

6. Families exiting homelessness that include a veteran experiencing homelessness and are ineligible for HUD – Veterans Affairs Supportive Housing (HUD – VASH) voucher

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family was selected and referred to the PHA in accordance with criteria outlined in the MOU between the partner agency and the PHA.

7. Families at risk of homelessness due to increasing rents that are currently served by Northwest Pilot Project or the Urban League of Portland

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family is at risk of displacement due to rent increases and housing affordability issues, and the family was selected for referral in accordance with criteria outlined in the partnership agreement.

8. Families with a non-elderly person with disabilities who is transitioning out of institutional or other segregated settings

The PHA will require the following verification:

Verification of age and disability in accordance with policies in this chapter; and
Third-party verification from institutional or other segregated settings or from another service provider describing the setting and confirming that the non-elderly person with disabilities has a plan to exit the setting within three months.

9. Families with a member having a documented terminal illness with life expectancy of 12 months or less

The PHA will request third-party verification from a medical professional that the family member is terminally ill with life expectancy of 12 months or less.

10. Families residing in Multnomah County

In order to verify that an applicant resides in Multnomah County, the PHA will require rent receipts, leases, utility bills, school records, a written statement from the household with whom the family is residing, or a written certification from a homeless service organization, shelter, or a social service agency.

In order to verify that an applicant works in Multnomah County, the PHA will verify employment through the Oregon State online system. The PHA will require third-party verification from the employer when it is not possible to verify it through the state system.

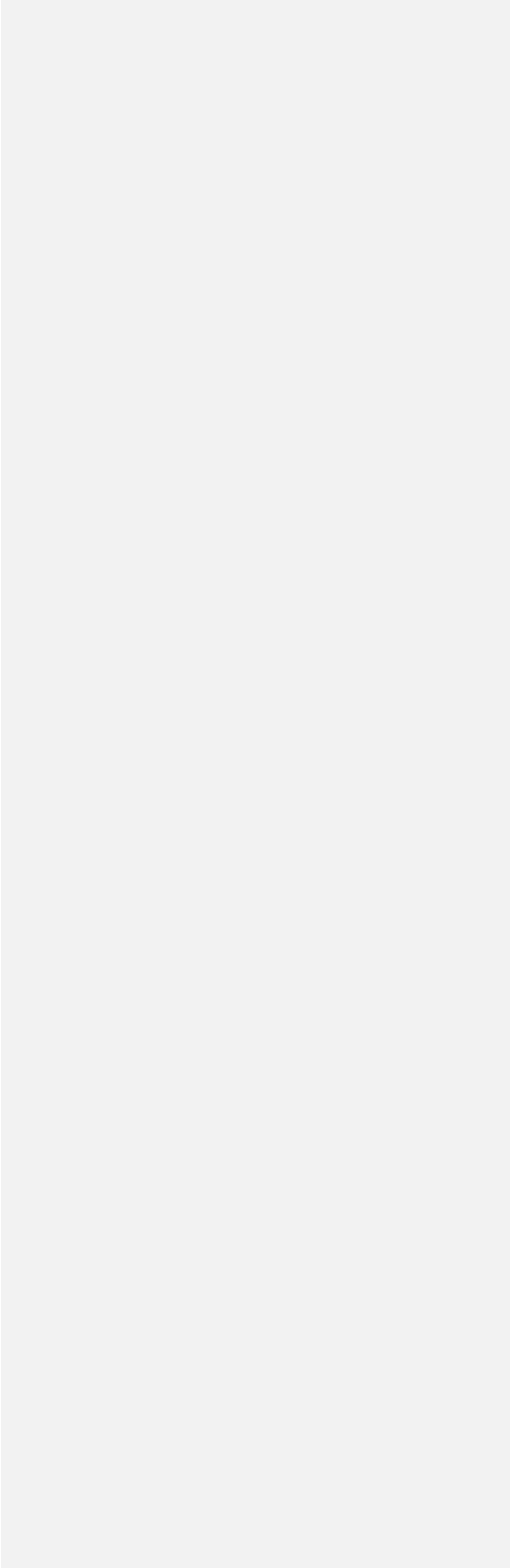
In order to verify that an applicant has been hired to work in Multnomah County, the PHA will require third-party verification from the employer.

In order to verify that an applicant is a graduate of, or active participant in, education or training program in Multnomah County, the PHA will require third-party verification from the agency or institution providing the education or training of active participation or graduation within the past year from the program designed to prepare individuals for the job market.

The PHA defines training program as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education”.

Employment, education, or training programs would include active participation in any of the following: GED or high school diploma, employment readiness programs, short term or long term training programs that will result in a certification; or a degree-seeking program at a college or university with a minimum enrollment requirement of six credit hours. The previous list is not inclusive of all eligible employment, education, or training programs.

Section 8 Administrative Plan



© Copyright 2017 Nan McKay & Associates, Inc.
Unlimited copies may be made for internal use.

Page 7-24

~~6/19/24~~

PART III: VERIFYING INCOME AND ASSETS

Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

7-III.A. EARNED INCOME

Wages

PHA Policy

For wages other than tips, the PHA will require the family to provide pay stubs covering the 60-day period prior to the PHA request.

Tips

PHA Policy

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

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

PHA Policy

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

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income. If the family member has been self-employed for three (3) to twelve (12) months the PHA will require the family to

provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

Social Security/SSI Benefits

PHA Policy

To verify the SS/SSI benefits of applicants, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the PHA will help the applicant request a benefit verification letter from SSA's web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter they will be required to provide it to the PHA.

To verify the SS/SSI benefits of participants, the PHA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the PHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the PHA will help the participant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to the PHA.

7-III.D. ALIMONY OR CHILD SUPPORT

PHA Policy

The methods the PHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be obtained in the following order of priority:

- Copies of the receipts and/or payment stubs for the 60 days prior to PHA request

- Third-party verification form from the state or local child support enforcement agency

- Third-party verification form from the person paying the support

- Family's self-certification of amount received

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

- A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts (a record of payments from a state or local entity for the past 12 months is acceptable)

- If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

PHA Policy

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly participant reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

7-III.F. NET INCOME FROM RENTAL PROPERTY

PHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III.G. RETIREMENT ACCOUNTS

PHA Policy

The PHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of document that will be accepted depends upon the family member's retirement status.

Before retirement, the PHA will accept a document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

Upon retirement, the PHA will accept a document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, the PHA will accept a document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7-III.H. INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or adoption assistance payments).

PHA Policy

The PHA will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The PHA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

PHA Policy (MTW)

Families have the option not to report income that is not used in rent calculation, such as foster care payments.

7-III.L. ZERO ANNUAL INCOME STATUS

PHA Policy

The PHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, social security/SSI benefits, earnings, etc., are not being received by families claiming zero annual income.

7-III.J. STUDENT FINANCIAL ASSISTANCE

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see Section 7-III.H).

PHA Policy (MTW)

Student financial assistance will be considered only for the purpose of determining eligibility. Student financial assistance will not be included in the determination of annual income for rent and subsidy calculation.

Policies in this section on inclusion of financial assistance in annual income for rent and subsidy calculation apply only to Section 8 non-MTW programs as required by HUD regulations.

PHA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, the PHA will request verification of the student's tuition amount.

If the PHA is unable to obtain third-party verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in Section 7-I.B.

7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student’s parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents or a *vulnerable youth* in accordance with PHA policy [24 CFR 5.612, FR Notice 4/10/06, FR Notice 9/21/16].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

PHA Policy

If the PHA is required to determine the income eligibility of a student’s parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in Section 3-II.E). The parents will be required to certify to their income under penalty of perjury. The required information must be submitted (postmarked) within 10 business days of the date of the PHA’s request or within any extended timeframe approved by the PHA.

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

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Section 6-II.B for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student.

Elderly/Disabled Family Deduction

See Eligibility chapter for a definition of elderly and disabled families and Section 6-II.C for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in Section 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

PHA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

The PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Section 7-IV.A of this plan.

Qualified Expenses

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Section 6-IL.D for the PHA’s policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

PHA Policy

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

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

7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in Section 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

Attendant Care

PHA Policy

The PHA will accept written third-party documents provided by the family.

If family-provided documents are not available, the PHA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

Auxiliary Apparatus

PHA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in Section 7-II.F above).
- The expense permits a family member, or members, to work (as described in Section 6-II.E).
- The expense is not reimbursed from another source (as described in Section 6-II.E).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See Section 7-II.F).

Family Member(s) Permitted to Work

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

PHA Policy

The PHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See Section 6-II.E). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

An attendant care provider will be asked to certify that, to the best of the provider’s knowledge, the expenses are not paid by or reimbursed to the family from any source.

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

7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Section 6-II.F. The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See Section 7-II.C).

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

PHA Policy

The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.

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

Pursuing an Eligible Activity

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

PHA Policy

Information to be Gathered

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

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

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

Furthering Education

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

Gainful Employment

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

Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

PHA Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Section 6-II.F.

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household’s declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

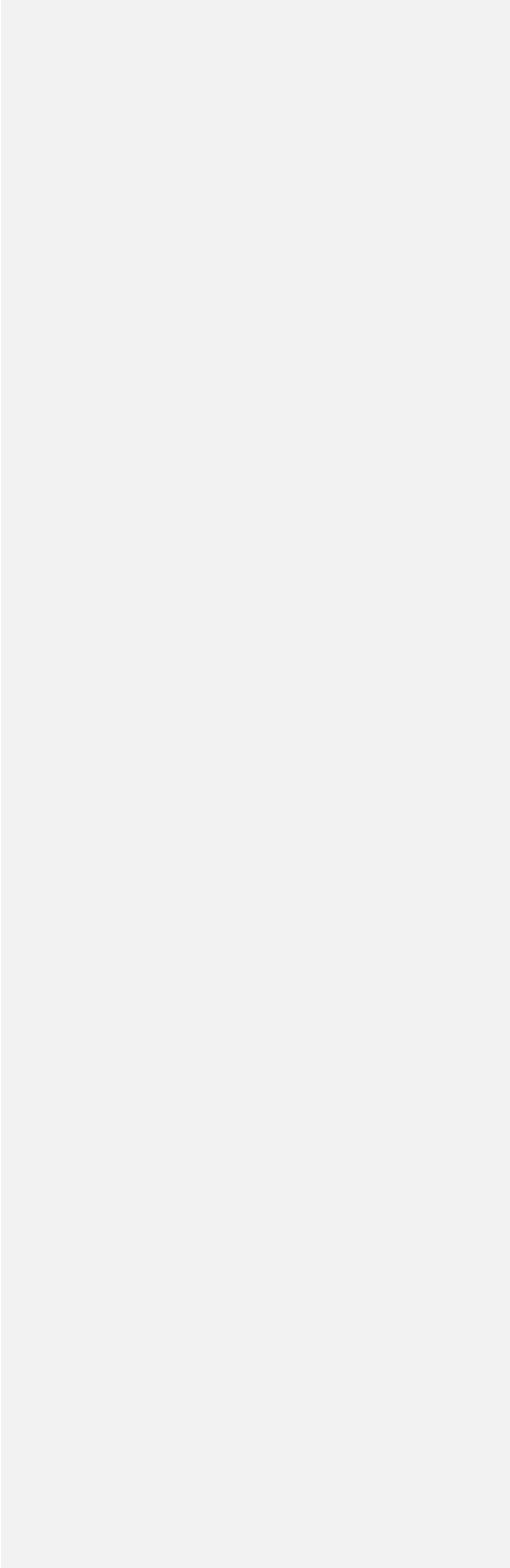
PHA Policy

The actual costs the family incurs will be compared with the PHA’s established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

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

EXHIBIT 7-I: SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [HCV GB, pp. 5-9 and 5-10]	
<ul style="list-style-type: none"> • All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA. • Except for persons 62 or older, all noncitizens must sign a verification consent form. • Additional documents are required based upon the person's status. 	
Elderly Noncitizens	
<ul style="list-style-type: none"> • A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits. 	
All other Noncitizens	
<ul style="list-style-type: none"> • Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below. 	
<ul style="list-style-type: none"> • Form I-551 Alien Registration Receipt Card (for permanent resident aliens) • Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> • “Admitted as a Refugee Pursuant to Section 207” • “Section 208” or “Asylum” • “Section 243(h)” or “Deportation stayed by Attorney General” • “Paroled Pursuant to Section 221 (d)(5) of the USCIS” 	<ul style="list-style-type: none"> • Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> • A final court decision granting asylum (but only if no appeal is taken); • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90); • A court decision granting withholding of deportation; or • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).
<ul style="list-style-type: none"> • Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”. 	<ul style="list-style-type: none"> • Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.
<ul style="list-style-type: none"> • A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or • Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the <i>Federal Register</i> 	

Section 8 Administrative Plan



| © Copyright 2017 Nan McKay & Associates, Inc.
Unlimited copies may be made for internal use.

Page 7-42

6/19/24

Chapter 7

VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2010-19]

INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551].

Consent Forms

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

PHA Policy (MTW)

The PHA will use its equivalent form in place of form HUD-9886, Authorization for Release of Information/Privacy Act Notice.

Penalties for Failing to Consent [24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with PHA procedures.

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH 2010-19]

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that the PHA will use are:

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

Each of the verification methods is discussed in subsequent sections below.

Requirements for Acceptable Documents

PHA Policy

Any documents used for verification generally must be dated within 60 calendar days of the PHA request date. Original documents are preferred. The documents must not be damaged, altered or in any way illegible.

The PHA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides semi-annual reports, the PHA would accept the most recent report.

Print-outs from web pages are considered original documents.

The PHA staff member who views the original document must make a photocopy, annotate the copy with the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the PHA.

Income Verification at Admission

PHA Policy (MTW)

The PHA may consider self-certification the highest form of income verification at admission. Self-certification may be accepted as documentation of reported income, assets, expenses and known pending income at admission.

Applicants may provide third-party documentation which represents the applicant's income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PHA's request. Original documents are preferred. The documents must not be damaged, altered, or in any way illegible. Printouts from webpages are considered original documents.

Third-party confirmation of income may be voluntarily submitted within 60-days prior to admission or voucher assistance.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

When available, the PHA will use the EIV tool to compare and confirm income reported from self-certification. The PHA may require a repayment plan as outlined in Chapter 16 or propose termination as outlined in Chapter 12 if any material discrepancies arise. The PHA will incorporate additional procedures to remind families of the obligation to

If the PHA later determines that an ineligible family received assistance, the PHA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

File Documentation

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2010-19].

7-I.C. UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be

taken until the PHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

See Chapter 6 for the PHA's policy on the use of UIV/EIV to project annual income.

7-I.D. ENTERPRISE INCOME VERIFICATION TOOL

Up-front Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. The EIV system contains data showing earned income, unemployment benefits, social security benefits and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

EIV Income Reports

The data shown on income reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

PHA Policy

The PHA will obtain income reports for regular reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income reports will be compared to family-provided information as part of the regular reexamination process. Income reports may be used in the calculation of annual income, as described in Section 6-I.C. Income reports may also be used to meet the regulatory requirement for third-party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information are described in Section 6-I.C and in this chapter.

Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify and calculate earned income, unemployment benefits, social security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in participant files with the applicable regular or interim reexamination documents.

When the PHA determines through income reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

EIV Identity Verification

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

PHA Policy

The PHA will identify participants whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis.

The PHA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the PHA determines that discrepancies exist due to PHA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

Written Third-Party Verification [Notice PIH 2010-19]

When the PHA determines annual income based on actual past income information available in EIV in accordance with policies in Chapter 6, the PHA is not required to obtain third-party documentation of that income (e.g., pay stubs, payroll summary report, unemployment monetary benefit notice) [Notice PIH 2013-3].

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

PHA Policy (when third-party verification is required)

Third-party documents provided by the family must be dated within 60 days of the PHA request date.

Due to the PHA policy on conducting initial eligibility reviews and subsequent reexaminations by mail, copies of third-party documents provided by the family are acceptable.

The PHA may reject documentation provided by the family if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that third-party documents provided by the family are not acceptable, the PHA will explain the reason to the family and request additional documentation.

As verification of earned income, the PHA will require the family to provide pay stubs covering the 60-day period prior to the PHA's request.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

A written third-party verification form is mandatory when there is an unreported source of income or a substantial difference in reported income (\$2400 annually or more) and there is no UIV or tenant-provided documentation to support the income discrepancy.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

PHA Policy

The PHA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the PHA.

In cases when third-party verification form is hand-carried by the family, the PHA will make a follow-up telephone call to verify the accuracy of the information provided. The PHA will record on the verification form the name and title of the person contacted, the date and time of the conversation, the telephone number used, and the facts provided.

Oral Third-Party Verification [Notice PIH 2010-19]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

PHA Policy

In collecting third-party oral verification, PHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the PHA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

When Third-Party Verification is Not Required [Notice PIH 2010-19]

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

PHA Policy

If the family cannot provide third-party documents, the PHA will not pay the service charge required to obtain third-party verification, and a self-certification will be acceptable as the only means of verification.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

PHA Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

Self-certification of Assets of \$5,000 or Less [Notice PIH 2013-3]

Notice PIH 2013-03 established temporary provisions allowing PHAs to accept family self-certification of assets when the total net value of the family's assets does not exceed \$5,000. The option reduces administrative burden by eliminating the time-consuming verification process for assets which have minimal impact on the family's subsidy level. The temporary provisions established by the Notice apply to the HCV and Moderate Rehabilitation programs and have been extended by Notice PIH 2013-26 until March 31, 2015.

The family's self-certification on application and reexamination forms may be accepted when all adult family members sign the applicable form.

The PHA must continue to report all assets on Form HUD-50058, including assets of families with net assets which do not exceed \$5,000.

If the family's assets exceed \$5,000 in net value, the PHA must verify the assets according to existing PHA policy.

PHA Policy (MTW)

This policy applies to the programs referenced above and will be available to the PHA until March 31, 2015 for Section 8 non-MTW programs and on a permanent basis for Section 8 MTW programs.

For families whose assets do not exceed \$5,000 in net value, the PHA will accept family self-certification of asset value and anticipated income.

The PHA may require additional verification if necessary to document that assets do not exceed \$5,000 in net value.

7-I.E. SELF-CERTIFICATION

When HUD requires third-party verification, self-certification, or “tenant declaration,” is used as a last resort when the PHA is unable to obtain third-party verification.

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family’s file must be documented to explain why third-party verification was not available.

PHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

PART II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

PHA Policy

The PHA will require families to furnish verification of legal identity for each household member. Acceptable forms of verification include, but are not limited to, the following:

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Naturalization papers Current, valid driver's license or Department of Motor Vehicles identification card Current, valid state-issued photo ID U.S. military discharge (DD 214) Current, valid U.S. passport Current, valid employer identification card	Certificate of birth Adoption papers Court-awarded custody agreement Health and Human Services ID Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a participant.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2012-10]

The family must provide documentation of a valid social security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include, existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

Note that an individual who previously declared to have eligible immigration status may not change his or her declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The PHA must accept the following documentation as acceptable evidence of the social security number:

An original SSN card issued by the Social Security Administration (SSA)

An original SSA-issued document, which contains the name and SSN of the individual

An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

PHA Policy

Due to the PHA policy on conducting initial eligibility reviews and subsequent reexaminations by mail, copies of documents provided by the family are acceptable.

The PHA may reject documentation provided by the family if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that a document provided by the family is not acceptable, the PHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

PHA Policy

In case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the PHA will terminate the individual's assistance.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the PHA determines that the family's failure to comply was due to unforeseen circumstances and was outside of the family's control.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PHA Policy

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

The social security numbers of household members, such as live-in aids, must be verified for the purpose of conducting criminal background checks.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members.

PHA Policy

If an official record of birth cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded).

Age must be verified only once during continuously-assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

PHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a separation or divorce, the PHA will require the family to provide documentation of the divorce or separation.

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

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

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

Absence of Adult Member

PHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill). If the documentation is not available, certification by the head of household will be accepted.

Foster Children and Foster Adults

PHA Policy

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

7-II.E. VERIFICATION OF STUDENT STATUS

General Requirements

PHA Policy

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

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports child care expenses to enable a family member to further his or her education.

The family includes a student enrolled in an *institution of higher education*.

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

PHA Policy

In accordance with the verification hierarchy described in Section 7-1.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see Exhibit 3-2 in Chapter 3).

The student is at least 24 years old.

The student is a veteran, as defined in Section 3-II.E.

The student is married.

The student has at least one dependent child, as defined in Section 3-II.E.

The student is a person with disabilities, as defined in Chapter 3, and was receiving HCV assistance as of November 30, 2005.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see Section 7-III.J) or the student's independence from his/her parents (see below).

Independent Student

PHA Policy

The PHA will verify a student's independence from his/her parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

Either reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year, or verifying the student meets the U.S. Department of Education's definition of *independent student* (see Section 3-II.E)

Reviewing the student's prior year income tax returns to verify the student is independent or verifying the student meets U.S. Department of Education's definition of *independent student* (see Section 3-II.E)

Requesting and obtaining a written certification from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is \$0, except in cases in which the PHA determines that the student is a *vulnerable youth* (see Section 3-II.E).

7-II.F. DOCUMENTATION OF DISABILITY

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at <http://www.hhs.gov/ocr/privacy/>.

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance.

Family Members Receiving SSA Disability Benefits

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions [VG, p. 23].

PHA Policy

For family members claiming disability who receive disability benefits from the SSA, the PHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD's EIV System is not available, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter they will be required to provide it to the PHA.

Family Members Not Receiving SSA Disability Benefits

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.

PHA Policy

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

PHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

PHA Verification [HCV GB, pp. 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in Section 7-II.C of this plan. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

7-II.H. VERIFICATION OF PREFERENCE STATUS

The PHA must verify any preferences claimed by an applicant that determined placement on the waiting list.

PHA Policy

The preferences offered by the PHA are listed in Chapter 4. Third-party verification of all preferences will be completed prior to granting the preference and issuance of a voucher. The PHA will verify preferences as follows:

1. Families that are currently served in another permanent housing assistance program administered by the PHA when the family is experiencing domestic violence, dating violence, sexual assault or stalking, and is in significant danger and must relocate

The PHA will require the following verification:

HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation), or alternate documentation allowed by form HUD-5382;

Written certification from a service provider verifying the participant is in significant danger and must relocate which will likely result in the need for the participant to receive a tenant-based voucher; and

Program transfer authorization form completed and signed by the Director of Housing Choice Vouchers, Director of Homeless Initiatives, or Housing Program Manager

2. Families that are currently served (or have been certified, or have reached the top of the waiting list) in another permanent housing assistance program administered by the PHA when the other program is unable to appropriately house and serve the family

The PHA will require the following documentation:

Documentation of the reason(s) why family cannot be served by another permanent housing assistance program; and

Approval of both Rent Assistance director and the director of the other program.

When a preference has been granted based on a specific need (i.e. a unit with accessible entrance), the Section 8 subsidy may only be used for a unit which cures the condition for which the preference was granted.

3. Youth that are currently served in the Family Unification Program (FUP) administered by the PHA whose FUP voucher is expiring due to the 36-month statutory time limit, or youth that are currently served in the FUP rental assistance extension program administered by the PHA

The PHA will require the following verification:

Verification of disability in accordance with policies in Section 7-II.F of this chapter; and

Written referral from the current FUP case manager of record (DHS, Homeless Youth Continuum, or another agency) certifying that the youth will have a lack of adequate housing as a result of the expiration of FUP voucher or FUP rental assistance extension and needs a tenant-based voucher to ensure uninterrupted housing assistance.

4. Families that are currently served by the PHA in a Continuum of Care funded, permanent supportive housing project and no longer need supportive services to maintain housing stability.

The PHA will require the following verification:

Written certification from Continuum of Care program Sponsor Agency verifying the family does not require permanent supportive housing to maintain housing stability;

Written certification from Continuum of Care participant family indicating that the family voluntarily chooses to pursue the preference and application for a Housing Choice Voucher; and

Program transfer authorization signed by Director of Homeless Initiatives and Director of Housing Choice Voucher Program.

5. Families exiting homelessness that are currently served by Multnomah County's Homeless Family System of Care

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family was selected and referred to the PHA in accordance with criteria outlined in the Memorandum of Understanding (MOU) between the partner agency and the PHA.

6. Families exiting homelessness that include a veteran experiencing homelessness and are ineligible for HUD – Veterans Affairs Supportive Housing (HUD – VASH) voucher

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family was selected and referred to the PHA in accordance with criteria outlined in the MOU between the partner agency and the PHA.

7. Families at risk of homelessness due to increasing rents that are currently served by Northwest Pilot Project or the Urban League of Portland

The PHA will require the following verification:

Written referral from the partner agency, including a certification that the family is at risk of displacement due to rent increases and housing affordability issues, and the family was selected for referral in accordance with criteria outlined in the partnership agreement.

8. Families with a non-elderly person with disabilities who is transitioning out of institutional or other segregated settings

The PHA will require the following verification:

Verification of age and disability in accordance with policies in this chapter; and
Third-party verification from institutional or other segregated settings or from another service provider describing the setting and confirming that the non-elderly person with disabilities has a plan to exit the setting within three months.

9. Families with a member having a documented terminal illness with life expectancy of 12 months or less

The PHA will request third-party verification from a medical professional that the family member is terminally ill with life expectancy of 12 months or less.

10. Families residing in Multnomah County

In order to verify that an applicant resides in Multnomah County, the PHA will require rent receipts, leases, utility bills, school records, a written statement from the household with whom the family is residing, or a written certification from a homeless service organization, shelter, or a social service agency.

In order to verify that an applicant works in Multnomah County, the PHA will verify employment through the Oregon State online system. The PHA will require third-party verification from the employer when it is not possible to verify it through the state system.

In order to verify that an applicant has been hired to work in Multnomah County, the PHA will require third-party verification from the employer.

In order to verify that an applicant is a graduate of, or active participant in, education or training program in Multnomah County, the PHA will require third-party verification from the agency or institution providing the education or training of active participation or graduation within the past year from the program designed to prepare individuals for the job market.

The PHA defines training program as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period to time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education”.

Employment, education, or training programs would include active participation in any of the following: GED or high school diploma, employment readiness programs, short term or long term training programs that will result in a certification; or a degree-seeking program at a college or university with a minimum enrollment requirement of six credit hours. The previous list is not inclusive of all eligible employment, education, or training programs.

Section 8 Administrative Plan

PART III: VERIFYING INCOME AND ASSETS

Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

7-III.A. EARNED INCOME

Wages

PHA Policy

For wages other than tips, the PHA will require the family to provide pay stubs covering the 60-day period prior to the PHA request.

Tips

PHA Policy

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

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

PHA Policy

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

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income. If the family member has been self-employed for three (3) to twelve (12) months the PHA will require the family to

provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

Social Security/SSI Benefits

PHA Policy

To verify the SS/SSI benefits of applicants, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the PHA will help the applicant request a benefit verification letter from SSA's web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter they will be required to provide it to the PHA.

To verify the SS/SSI benefits of participants, the PHA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the PHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the PHA will help the participant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to the PHA.

7-III.D. ALIMONY OR CHILD SUPPORT

PHA Policy

The methods the PHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be obtained in the following order of priority:

Copies of the receipts and/or payment stubs for the 60 days prior to PHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received

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

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts (a record of payments from a state or local entity for the past 12 months is acceptable)

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

PHA Policy

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly participant reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

7-III.F. NET INCOME FROM RENTAL PROPERTY

PHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III.G. RETIREMENT ACCOUNTS

PHA Policy

The PHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of document that will be accepted depends upon the family member's retirement status.

Before retirement, the PHA will accept a document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

Upon retirement, the PHA will accept a document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, the PHA will accept a document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7-III.H. INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or adoption assistance payments).

PHA Policy

The PHA will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The PHA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

PHA Policy (MTW)

Families have the option not to report income that is not used in rent calculation, such as foster care payments.

7-III.I. ZERO ANNUAL INCOME STATUS

PHA Policy

The PHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, social security/SSI benefits, earnings, etc., are not being received by families claiming zero annual income.

7-III.J. STUDENT FINANCIAL ASSISTANCE

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see Section 7-III.H).

PHA Policy (MTW)

Student financial assistance will be considered only for the purpose of determining eligibility. Student financial assistance will not be included in the determination of annual income for rent and subsidy calculation.

Policies in this section on inclusion of financial assistance in annual income for rent and subsidy calculation apply only to Section 8 non-MTW programs as required by HUD regulations.

PHA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, the PHA will request verification of the student's tuition amount.

If the PHA is unable to obtain third-party verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in Section 7-I.B.

7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents or a *vulnerable youth* in accordance with PHA policy [24 CFR 5.612, FR Notice 4/10/06, FR Notice 9/21/16].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

PHA Policy

If the PHA is required to determine the income eligibility of a student's parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in Section 3-II.E). The parents will be required to certify to their income under penalty of perjury. The required information must be submitted (postmarked) within 10 business days of the date of the PHA's request or within any extended timeframe approved by the PHA.

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

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Section 6-II.B for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student.

Elderly/Disabled Family Deduction

See Eligibility chapter for a definition of elderly and disabled families and Section 6-II.C for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in Section 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

PHA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

The PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Section 7-IV.A of this plan.

Qualified Expenses

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Section 6-II.D for the PHA's policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

PHA Policy

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

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years.

7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in Section 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

Attendant Care

PHA Policy

The PHA will accept written third-party documents provided by the family.

If family-provided documents are not available, the PHA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

Auxiliary Apparatus

PHA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in Section 7-II.F above).
- The expense permits a family member, or members, to work (as described in Section 6-II.E).
- The expense is not reimbursed from another source (as described in Section 6-II.E).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See Section 7-II.F).

Family Member(s) Permitted to Work

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

PHA Policy

The PHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See Section 6-II.E). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the family from any source.

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

7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Section 6-II.F. The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See Section 7-II.C).

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

PHA Policy

The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.

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

Pursuing an Eligible Activity

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

PHA Policy

Information to be Gathered

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

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

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

Furthering Education

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

Gainful Employment

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

Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

PHA Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Section 6-II.F.

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

PHA Policy

The actual costs the family incurs will be compared with the PHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

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

EXHIBIT 7-I: SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [HCV GB, pp. 5-9 and 5-10]	
<ul style="list-style-type: none"> • All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA. • Except for persons 62 or older, all noncitizens must sign a verification consent form. • Additional documents are required based upon the person's status. 	
Elderly Noncitizens	
<ul style="list-style-type: none"> • A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits. 	
All other Noncitizens	
<ul style="list-style-type: none"> • Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below. 	
<ul style="list-style-type: none"> • Form I-551 Alien Registration Receipt Card (for permanent resident aliens) • Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> • “Admitted as a Refugee Pursuant to Section 207” • “Section 208” or “Asylum” • “Section 243(h)” or “Deportation stayed by Attorney General” • “Paroled Pursuant to Section 221 (d)(5) of the USCIS” 	<ul style="list-style-type: none"> • Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> • A final court decision granting asylum (but only if no appeal is taken); • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90); • A court decision granting withholding of deportation; or • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).
<ul style="list-style-type: none"> • Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”. 	<ul style="list-style-type: none"> • Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.
<ul style="list-style-type: none"> • A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or • Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the <i>Federal Register</i> 	

Section 8 Administrative Plan

Chapter 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least biennially during the term of the contract.

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-1.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors.

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

8-I.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for the variations of the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

PHA Policy

HUD has granted the PHA approval to use acceptability criteria variations that are based on local building codes, inclusive of Title 29 of the Portland City Code. The Oregon Landlord-Tenant Law, Local Code (Title 29) and the Uniform Housing Code will supplement HQS when specific parts of all codes and laws may be useful to clarify HQS violations under the HUD requirements. The following basic housing requirements set in Title 29 of the Portland City Code will be uniformly enforced across Multnomah County:

Smoke Detectors

Smoke detectors must work and be located in sleeping rooms, in the immediate vicinity of the sleeping rooms and on each level of the house, including basements and attics with habitable space.

Emergency Exits

Each apartment or house must have at least one approved emergency exit.

Every bedroom must have a window or door that opens directly to the outside.

Windows and doors should never be blocked.

Doors and Windows

Broken, missing or poorly fitted doors and windows must be repaired to prevent weather entry.

Window and door locks, striker plates and jambs must work properly and be in good repair.

Bedroom windows must open and be able to stay open for ventilation or emergency exit. Sleeping room windows that are provided to meet emergency escape or rescue requirements shall have a minimum net clear opening of at least 20 inches wide and at least 22 inches high.

Bedrooms

In conjunction with HQS, Local Code (Title 29) and the Uniform Building Code, a bedroom is defined as a habitable room that is not a kitchen and has a minimum floor area of 70 square feet. A bedroom must have at least one window, ventilation, legal emergency egress, a door for privacy, and a closet designed for the storage of clothing. A bedroom must also meet all HQS requirements established by HUD.

If the County tax assessment records define a room as a bedroom, the PHA will consider the room a bedroom as well, provided that the room meets all HQS requirements established by HUD.

Thermal Environment [HCV GB p.10-7]

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

PHA Policy

The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

All interior and exterior doors must not have double-key deadbolt locks.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors in living areas must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All sinks and bathtubs must have functioning stoppers.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security

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

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

PHA Policy

The following are considered life-threatening conditions:

- Any condition that jeopardizes the security of the unit
- Broken lock on first floor window or door, or broken glass which might cause an injury, or an obstacle which prevents family's access to the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling, plugged and overflowing toilet
- Escaping gas from a gas stove, or natural or LP gas or fuel oil leaks
- No electric service, or any electrical problem or condition that could result in shock or fire
- Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit
- Utilities not in service, including no running cold or hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable smoke detectors.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See Section 8-II.H.

If a family fails to correct a family caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See Section 8-II.I.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225, FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.H.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

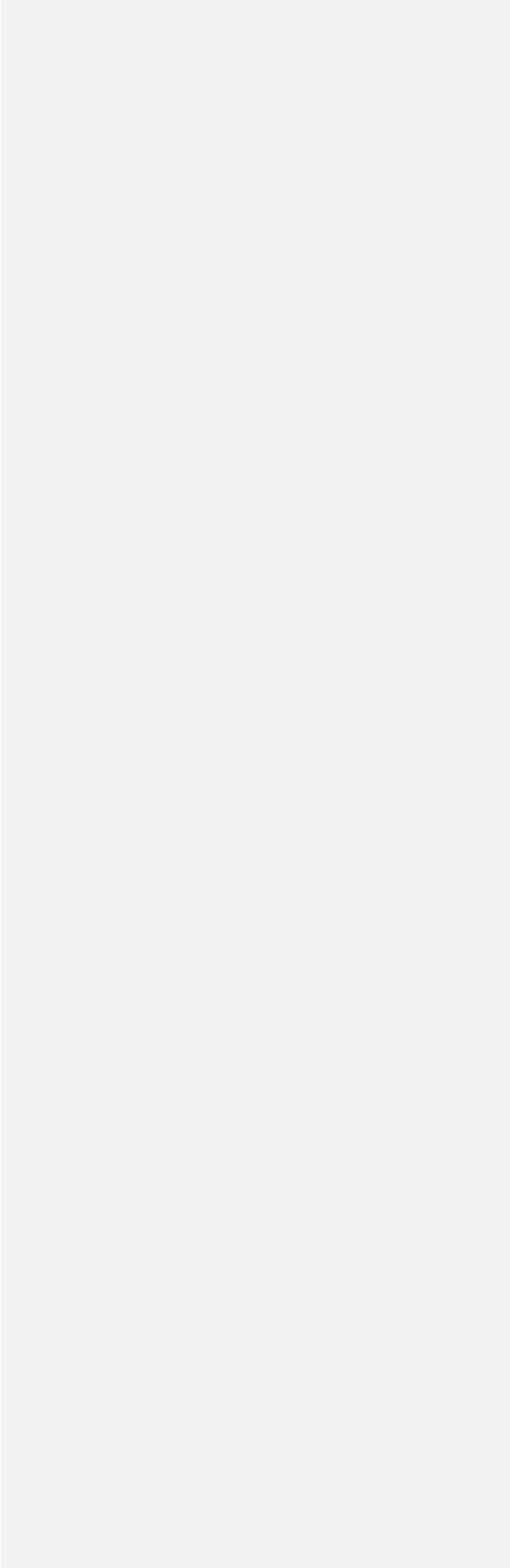
If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

Section 8 Administrative Plan

© Copyright 2017 Nan McKay & Associates, Inc.
Unlimited copies may be made for internal use.

Page 8-10

3/21



PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Annual / Biennial Inspections.* HUD requires the PHA to inspect each unit under lease at least biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

PHA Policy (MTW)

In addition to the types of inspections described above, the PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. The inspection may meet the requirement of Landlord Guarantee Fund (LGF) program, if applicable. See Section 8-II.F.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to inspect its own units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of the inspections conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control inspections by a third-party outside agency.

Method of Inspection [24 CFR 982.405, 24 CFR 982.401, Notice PIH 2020-31]

The PHA may conduct HQS inspections using Remove Video Inspections (RVIs). In RVIs, an HQS inspector performs an HQS inspection from a remote location using video streaming technology via a person at the inspection site who serves as a proxy. The proxy follows the direction of the HQS inspector throughout the entire inspection process. Prior to the RVI, the PHA and impacted parties with legal possession of the unit should agree to use an RVI rather than an on-site inspection by PHA staff. If an agreement cannot be reached, the PHA follows the procedures for on-site inspections.

Formatted: Font: Not Bold
Formatted: Font: Not Bold

PHA staff.

PHA Policy

Formatted: Underline

The PHA will may conduct RVIs at the PHA’s discretion during a local disaster, emergency, or other crisis situation or if permitted by the PHA due to extenuating circumstances.

Formatted: Not Highlight
Formatted: Indent: Left: 0.5"
Formatted: Not Highlight

Inspection Costs [24 CFR 982.405, Notice PIH 2016-05]

The PHA may not charge the family for unit inspections or reinspections. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR 982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. PHAs have the option to establish a reasonable fee to owners for a reinspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not; and/or (2) if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected. Fees may not be applied to an owner for deficiencies caused by the family, initial inspections, regularly scheduled inspections, an instance in which the inspector was unable to gain access to the unit, or for new deficiencies identified during a reinspection.

The owner may not pass the reinspection fee on to the family.

Notice PIH 2016-05 provides further guidance on the reinspection fee option.

PHA Policy

The PHA does not charge a fee for failed reinspections.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an adult designated by the family must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

At exit inspection of a vacant unit, the presence of the owner or the owner's representative is required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a), FR Notice 1/18/17]

The PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS [24 CFR 982.305].

The PHA may, but is not required to, approve an assisted tenancy for a unit, execute a HAP contract and begin making housing assistance payments on a unit that fails the initial HQS inspection, provided the unit only has non-life-threatening deficiencies. Further, the PHA may, but is not required to, authorize occupancy of a unit prior to the initial inspection being completed if the unit had passed a qualifying alternative inspection within the past 24 months. Notice PIH 2017-20 provides further guidance and implementation requirements for these discretionary provisions.

PHA Policy

~~The PHA will not approve the assisted tenancy or execute a HAP contract for a unit until the unit has been inspected by the PHA and passes HQS inspection.~~

~~The PHA did not implement discretionary provisions listed above.~~

PHA Policy

The PHA may approve the assisted tenancy for a unit and execute a HAP contract at the PHA's discretion during including during times of a local disaster, emergency, or other crisis situation before the HQS inspection is completed with a self-certification from the owner indicating "the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection".

The PHA will

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [24 CFR 982.305(b)(2)].

PHA Policy (MTW)

The PHA may make housing assistance payment contracts before the unit passes HQS in the instance of owner self-certification. If the PHA accepted an owner's self-certification, the PHA will conduct an inspection no later than 60 days of the owner's self-certification. In the case of a reported life-threatening condition or as a Reasonable Accommodation, a tenant may request an expedited inspection following owner self-certification.

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: No underline

In all other circumstances, to the extent practicable, the PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

PHA Policy

The PHA will conduct an inspection no later than 60 days of the owner's self-certification.

The PHA may execute a HAP contract within 120 days of the lease term.

Inspection Results and Reinspections

PHA Policy (MTW)

Initial Inspection after Execution of HAPC

If any HQS violations are identified after an owner self-certifies

Initial Inspection Prior to Execution of HAPC

If any HQS violations are identified, the owner will be notified of the deficiencies and be given 10 business days to correct them and request a reinspection or submit self-certification of repairs, as determined by the PHA. Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax.

If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause up to a maximum of 30 days.

The PHA will reinspect the unit within 5 business days of the date the owner notifies the PHA that the required corrections have been made. In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items as listed in Section 8-II.G.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, or the PHA does not receive completed and signed self-certification of repairs by the due date, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following PHA notification that the unit has been rejected, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs, the family continues to wish to live in the unit, and the family's voucher has not expired.

Formatted: Font: Italic

Formatted: Font: Italic

PHA Policy (MTW 2023)

If the PHA approved the assisted tenancy and executed a HAP contract before the initial HQS inspection based on an owner's self-certification of the condition of the dwelling unit and a subsequent inspection identifies HQS violations, the PHA will follow the process outlined in Sections 8-II.G and H.

Formatted: Indent: Left: 1"

Formatted: Font: Not Bold

Formatted: Indent: Left: 0"

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA Policy

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

Appliances

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will reinspect the unit to confirm that the appliances have been installed and are working before the HAP contract is executed by the PHA.

8-II.C. ANNUAL / BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]

Scheduling the Inspection

PHA Policy

The PHA may conduct regular unit inspections every other year for all tenant-based HCV participants unless:

- There is a concerning factor regarding inspection or unit status; or
- Family lives in a unit owned or managed by a landlord or property management company with a concerning inspection history.

As families are admitted onto the tenant-based HCV program, they will be placed on a biennial inspection schedule.

Participants placed on a biennial schedule will remain on that schedule unless a concern arises, at which point they will be placed back on an annual schedule until the concern no longer exists.

If an adult family member cannot be present on the scheduled date due to a medical emergency or a need for a reasonable accommodation due to a disability, the family may request that the PHA reschedule the inspection. The family must give the PHA at least 48-hour advanced notice of the need to reschedule. The PHA and family will agree on a new inspection date that generally should take place within 5 business days of the originally-scheduled date. The PHA may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date as described above, the family must contact the PHA within 5 business days of the scheduled date to request a second inspection. If the family fails to contact the PHA within 5 business days to request a second inspection, or if the family misses the second scheduled inspection without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

Local Inspection Policies

PHA Policy (MTW)

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of PHA program participants, residents, staff, and/or the general public, the PHA may implement certain temporary changes to biennial inspection protocols to ensure continuity of safe operations to the extent possible and practical.

The inspection protocols which the PHA may implement are:

- The PHA may extend the validity of a family’s most recently completed biennial HQS inspection by one year.
- The due date of the family’s next biennial HQS inspection would be one year from the original due date, and subsequent inspections would occur on a regular biennial schedule based on the new adjusted biennial due date.
- The PHA will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

When implemented, these temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so. These changes will be implemented in response to the COVID-19 pandemic, and may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]

If a participant family or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of when the PHA received the notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

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

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. EXIT INSPECTIONS

PHA Policy (MTW)

The PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. To the extent practicable, the PHA will conduct the inspection within two business days from the owner's request.

The PHA will conduct an exit inspection if all of the following conditions are met:

- The family vacated the unit;
- The owner requested an inspection within 48 hours from family's departure from the unit;
- The damage is directly linked to the family's tenancy (not caused by forces of nature, etc.);
- Deposits/fees collected by owner are not sufficient to cover the damage;
- The damage will not be reimbursed from any other source;
- The damage has not been fixed/cleaned; and
- The damage constitutes an HQS fail or a serious violation of the lease.

Some examples of damage that constitutes a serious violation of the lease are:

- Destroyed walls (large holes, mold from abuse by the family, excessive grease, graffiti)
- Destroyed floors (serious carpet stains that cannot be removed with a good cleaning, torn tile, badly stained wood floors)
- Broken light fixtures (more than one)
- Broken doors or door jambs
- Broken windows
- Overly dirty or broken appliances (stove, refrigerator)
- Excessive garbage and trash storage requiring more than two hours for one person to clean up
- Large items left behind (broken furniture, disabled vehicles, etc.)

The exit inspection may meet the requirement of LGF program. If the owner submitted an LGF claim and appears eligible for compensation in accordance with policies in Section 13-1A, the PHA will determine the cost of damage to the unit using a list of covered items with set, non-negotiable amounts that the PHA will pay for each item. The following items are **not** covered under the LGF:

- Common areas
- Units other than the unit leased by the family
- Unpaid rent
- Damage committed more than two years after the effective date of HAP contract
- Infestations
- Mold damage
- Flood damage
- Smoking damage, other than cigarette burns in walls/carpet
- Fire damage
- Attorney's fees/court costs
- Damage not directly linked to the family's occupancy (such as damage caused by forces of nature).

8-II.G. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice. The PHA will verify the corrective actions on the next business day.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally no more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see Section 8-II.H.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

If no deficiencies are identified and the unit passed inspection, the PHA will not provide notification to the owner and the family.

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

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

Formatted: Bulleted + Level: 1 + Aligned at: 1" + Indent at: 1.25"

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA-approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items from the following list:

- Replacement of burnt-out light bulbs (interior/exterior)
- Replacement of cracked or missing switch or socket plates
- Replacement or repair of windows that allow air infiltration
- Replacement, cleaning, or repair of stove (new knobs, burners, oven elements, drip pans)
- Replacement, cleaning, or repair of refrigerator (new handle (no sharp edges), door seal, shelves, defrost freezer)
- Replacement of broken or destroyed interior doors (bedroom, bathroom, etc.)
- Repair of closet doors off track
- Cleaning of carpet stains
- Removal of excess debris
- Yard cleanup (including removal of old cars, car parts, mowing, weeding, etc.)
- Repair of wall or ceiling holes in units with no lead-based paint issues
- Replacement of cracked toilet seat(s)
- Replacement of missing heater knobs.

The PHA will not consider an item on the above list to be minor if it threatens the health or safety of any household member.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request. If, as a result of the audit inspection or reinspection, the PHA finds that the deficiencies have not been corrected, the PHA will take an enforcement action, and self-certification will no longer be an option.

Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax. If the PHA does not receive the completed and signed self-certification of repairs by the due date, the PHA will take an enforcement action, and self-certification will no longer be an option.

8-II.H. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

PHA Policy

Generally, the PHA will make all HAP abatements effective as of the first of the month following the specified correction period or, for self-certified items, as of the first of the month following the date the completed and signed certification of repairs was due to the PHA (including any approved extension). In cases when the payment has already been posted, the abatements will be effective as of the first of the next month.

The PHA has discretion not to abate the rent if an inspector determines that the owner has made a good faith effort to correct deficiencies.

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

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

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

PHA Policy

The maximum length of time that HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

8-II.I. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8-I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PHA Policy (MTW)

If the PHA compensates the owner for damages beyond normal wear and tear under the Landlord Guarantee Fund (LGF) in accordance with policies in Section 13-I.A, the amounts paid by the PHA to the owner must be repaid to the PHA by the family. The PHA will offer a repayment agreement to the family in accordance with policies in Chapter 16.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to determine rent reasonableness for the PHA-owned units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of rent reasonableness determinations conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control testing of rent reasonableness determinations by a third-party outside agency.

8-IILB. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 90 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent.

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Note: Notice PIH 2020-19 issued August 21, 2020 provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

Section 8 Tenant-Based Voucher Program Rents for Units Assisted by Low-Income Housing Tax Credits or Assistance under HUD’s HOME Investment Partnerships (HOME) Program [FR Notice, June 25, 2014]

For a unit receiving low-income housing tax credits (LIHTCs) pursuant to Section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD’s HOME program (for which the regulations are found in 24 CFR Part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

Low-Income Housing Tax Credits (LIHTC)

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study;
- (2) The payment standard established by the PHA for the unit size involved.

8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

PHA Policy

The PHA may use existing studies of rents in the PHA's jurisdiction, including Multifamily NW semiannual survey. In addition, the PHA may conduct its own survey to collect and maintain data on market rents in the PHA's jurisdiction. Information sources also include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis, and rent information that is more than 12 months old will not be used to determine rent reasonableness.

How Rents Are Determined

PHA Policy

The rent for a unit proposed for HCV assistance will be compared to the average market rent of similar unassisted units. To determine reasonable rent, the PHA will make adjustments to the average market rent to account for the features of the proposed unit that may impact rent.

The adjustments must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference - not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent), reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500 / 12 \text{ months} = \text{actual monthly rent of } \488 .

The PHA will notify the owner of the rent the PHA can approve based upon its analysis. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business days of the PHA's request for information or the owner's request to submit information.

Section 8 Administrative Plan

© Copyright 2017 Nan McKay & Associates, Inc.
Unlimited copies may be made for internal use.

Page 8-32

3/21

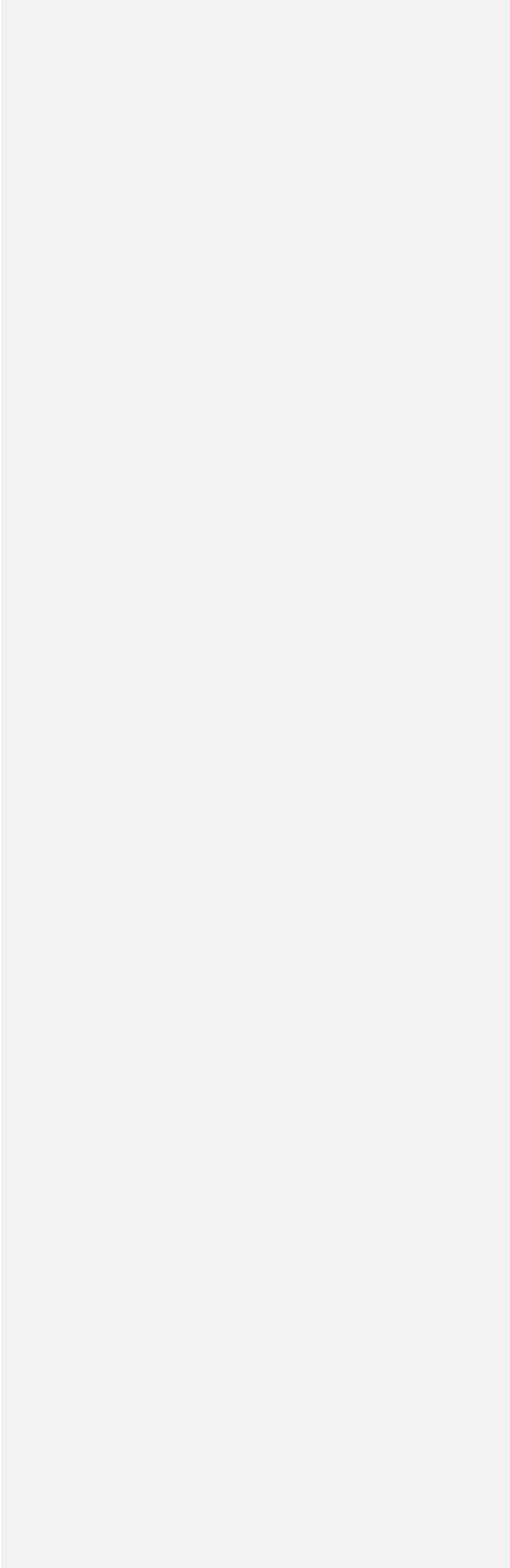


EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed
- Provide all prospective families with "Protect Your Family from Lead in Your Home"
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Heath/Safety

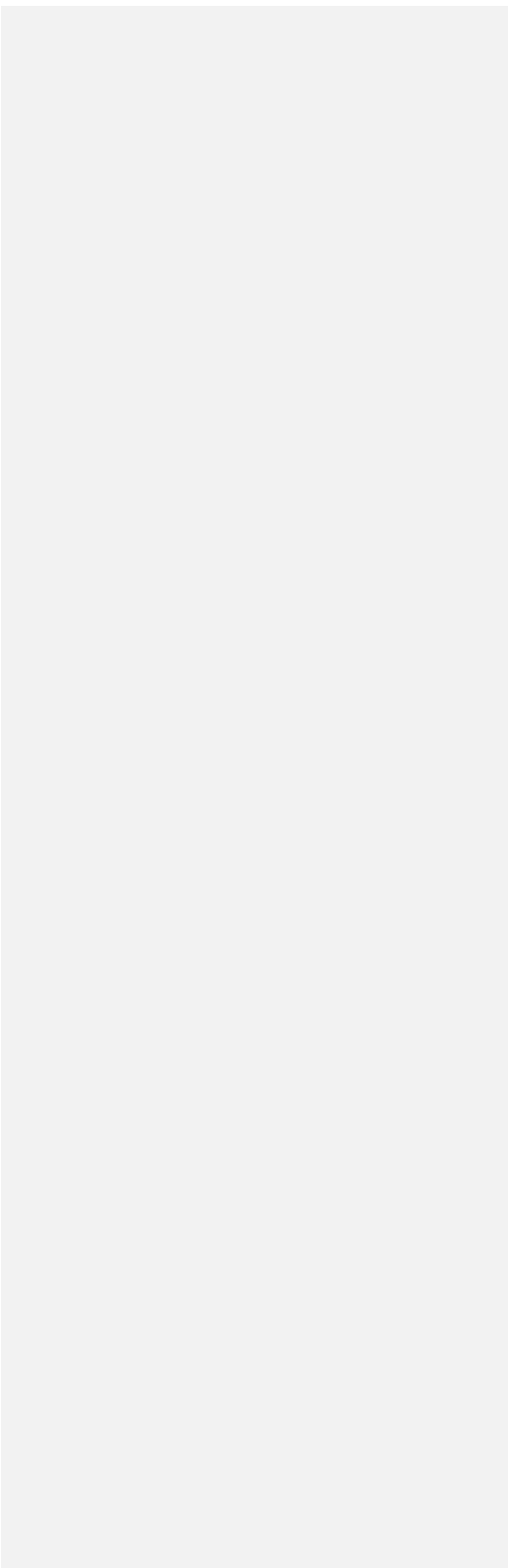
The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

Section 8 Administrative Plan

© Copyright 2017 Nan McKay & Associates, Inc.
Unlimited copies may be made for internal use.

Page 8-36

3/21



**EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS
RELATED TO HOUSING QUALITY**

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

Section 8 Administrative Plan

- (6) *Structure and Materials.* Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air.* Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family’s needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions.* The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions.* Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

Chapter 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least biennially during the term of the contract.

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors.

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

8-I.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for the variations of the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

PHA Policy

HUD has granted the PHA approval to use acceptability criteria variations that are based on local building codes, inclusive of Title 29 of the Portland City Code. The Oregon Landlord-Tenant Law, Local Code (Title 29) and the Uniform Housing Code will supplement HQS when specific parts of all codes and laws may be useful to clarify HQS violations under the HUD requirements. The following basic housing requirements set in Title 29 of the Portland City Code will be uniformly enforced across Multnomah County:

Smoke Detectors

Smoke detectors must work and be located in sleeping rooms, in the immediate vicinity of the sleeping rooms and on each level of the house, including basements and attics with habitable space.

Emergency Exits

Each apartment or house must have at least one approved emergency exit.

Every bedroom must have a window or door that opens directly to the outside.

Windows and doors should never be blocked.

Doors and Windows

Broken, missing or poorly fitted doors and windows must be repaired to prevent weather entry.

Window and door locks, striker plates and jambs must work properly and be in good repair.

Bedroom windows must open and be able to stay open for ventilation or emergency exit. Sleeping room windows that are provided to meet emergency escape or rescue requirements shall have a minimum net clear opening of at least 20 inches wide and at least 22 inches high.

Bedrooms

In conjunction with HQS, Local Code (Title 29) and the Uniform Building Code, a bedroom is defined as a habitable room that is not a kitchen and has a minimum floor area of 70 square feet. A bedroom must have at least one window, ventilation, legal emergency egress, a door for privacy, and a closet designed for the storage of clothing. A bedroom must also meet all HQS requirements established by HUD.

If the County tax assessment records define a room as a bedroom, the PHA will consider the room a bedroom as well, provided that the room meets all HQS requirements established by HUD.

Thermal Environment [HCV GB p.10-7]

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

PHA Policy

The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

All interior and exterior doors must not have double-key deadbolt locks.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors in living areas must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All sinks and bathtubs must have functioning stoppers.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security

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

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

PHA Policy

The following are considered life-threatening conditions:

- Any condition that jeopardizes the security of the unit
- Broken lock on first floor window or door, or broken glass which might cause an injury, or an obstacle which prevents family's access to the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling, plugged and overflowing toilet
- Escaping gas from a gas stove, or natural or LP gas or fuel oil leaks
- No electric service, or any electrical problem or condition that could result in shock or fire
- Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit
- Utilities not in service, including no running cold or hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable smoke detectors.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See Section 8-II.H.

If a family fails to correct a family caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See Section 8-II.I.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225, FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.H.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Annual / Biennial Inspections.* HUD requires the PHA to inspect each unit under lease at least biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

PHA Policy (MTW)

In addition to the types of inspections described above, the PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. The inspection may meet the requirement of Landlord Guarantee Fund (LGF) program, if applicable. See Section 8-II.F.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to inspect its own units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of the inspections conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control inspections by a third-party outside agency.

Method of Inspection [24 CFR 982.405, 24 CFR 982.401, Notice PIH 2020-31]

The PHA may conduct HQS inspections using Remove Video Inspections (RVIs). In RVIs, an HQS inspector performs an HQS inspection from a remote location using video streaming technology via a person at the inspection site who serves as a proxy. The proxy follows the direction of the HQS inspector throughout the entire inspection process. Prior to the RVI, the PHA and impacted parties with legal possession of the unit should agree to use an RVI rather than an on-site inspection by PHA staff. If an agreement cannot be reached, the PHA follows the procedures for on-site inspections.

PHA staff.

PHA Policy

The PHA may conduct RVIs at the PHA's discretion during a local disaster, emergency, or other crisis situation or if permitted by the PHA due to extenuating circumstances.

Inspection Costs [24 CFR 982.405, Notice PIH 2016-05]

The PHA may not charge the family for unit inspections or reinspections. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR 982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. PHAs have the option to establish a reasonable fee to owners for a reinspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not; and/or (2) if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected. Fees may not be applied to an owner for deficiencies caused by the family, initial inspections, regularly scheduled inspections, an instance in which the inspector was unable to gain access to the unit, or for new deficiencies identified during a reinspection.

The owner may not pass the reinspection fee on to the family.

Notice PIH 2016-05 provides further guidance on the reinspection fee option.

PHA Policy

The PHA does not charge a fee for failed reinspections.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an adult designated by the family must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

At exit inspection of a vacant unit, the presence of the owner or the owner's representative is required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a), FR Notice 1/18/17]

The PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS [24 CFR 982.305].

The PHA may, but is not required to, approve an assisted tenancy for a unit, execute a HAP contract and begin making housing assistance payments on a unit that fails the initial HQS inspection, provided the unit only has non-life-threatening deficiencies. Further, the PHA may, but is not required to, authorize occupancy of a unit prior to the initial inspection being completed if the unit had passed a qualifying alternative inspection within the past 24 months. Notice PIH 2017-20 provides further guidance and implementation requirements for these discretionary provisions.

PHA Policy (MTW)

The PHA may approve the assisted tenancy for a unit and execute a HAP contract at the PHA's discretion including during times of a local disaster, emergency, or other crisis situation before the HQS inspection is completed with a self-certification from the owner indicating "the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection".

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [24 CFR 982.305(b)(2)].

PHA Policy (MTW)

The PHA may make housing assistance payment contracts before the unit passes HQS in the instance of owner self-certification. If the PHA accepted an owner's self-certification, the PHA will conduct an inspection no later than 60 days of the owner's self-certification. In the case of a reported life-threatening condition or as a Reasonable Accommodation, a tenant may request an expected inspection following owner self-certification.

In all other circumstances, to the extent practicable, the PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

If any HQS violations are identified, the owner will be notified of the deficiencies and be given 10 business days to correct them and request a reinspection or submit self-

certification of repairs, as determined by the PHA. Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax.

If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause up to a maximum of 30 days.

The PHA will reinspect the unit within 5 business days of the date the owner notifies the PHA that the required corrections have been made. In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items as listed in Section 8-II.G.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, or the PHA does not receive completed and signed self-certification of repairs by the due date, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following PHA notification that the unit has been rejected, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs, the family continues to wish to live in the unit, and the family's voucher has not expired.

PHA Policy (MTW 2023)

If the PHA approved the assisted tenancy and executed a HAP contract before the initial HQS inspection based on an owner's self-certification of the condition of the dwelling unit and a subsequent inspection identifies HQS violations, the PHA will follow the process outlined in Sections 8-II.G and H.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA Policy

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

Appliances

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will reinspect the unit to confirm that the appliances have been installed and are working before the HAP contract is executed by the PHA.

8-II.C. ANNUAL / BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]

Scheduling the Inspection

PHA Policy

The PHA may conduct regular unit inspections every other year for all tenant-based HCV participants unless:

- There is a concerning factor regarding inspection or unit status; or
- Family lives in a unit owned or managed by a landlord or property management company with a concerning inspection history.

As families are admitted onto the tenant-based HCV program, they will be placed on a biennial inspection schedule.

Participants placed on a biennial schedule will remain on that schedule unless a concern arises, at which point they will be placed back on an annual schedule until the concern no longer exists.

If an adult family member cannot be present on the scheduled date due to a medical emergency or a need for a reasonable accommodation due to a disability, the family may request that the PHA reschedule the inspection. The family must give the PHA at least 48-hour advanced notice of the need to reschedule. The PHA and family will agree on a new inspection date that generally should take place within 5 business days of the originally-scheduled date. The PHA may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date as described above, the family must contact the PHA within 5 business days of the scheduled date to request a second inspection. If the family fails to contact the PHA within 5 business days to request a second inspection, or if the family misses the second scheduled inspection without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

Local Inspection Policies

PHA Policy (MTW)

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of PHA program participants, residents, staff, and/or the general public, the PHA may implement certain temporary changes to biennial inspection protocols to ensure continuity of safe operations to the extent possible and practical.

The inspection protocols which the PHA may implement are:

- The PHA may extend the validity of a family's most recently completed biennial HQS inspection by one year.
- The due date of the family's next biennial HQS inspection would be one year from the original due date, and subsequent inspections would occur on a regular biennial schedule based on the new adjusted biennial due date.
- The PHA will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

When implemented, these temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so. These changes will be implemented in response to the COVID-19 pandemic, and may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]

If a participant family or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of when the PHA received the notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

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

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. EXIT INSPECTIONS

PHA Policy (MTW)

The PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. To the extent practicable, the PHA will conduct the inspection within two business days from the owner's request.

The PHA will conduct an exit inspection if all of the following conditions are met:

- The family vacated the unit;
- The owner requested an inspection within 48 hours from family's departure from the unit;
- The damage is directly linked to the family's tenancy (not caused by forces of nature, etc.);
- Deposits/fees collected by owner are not sufficient to cover the damage;
- The damage will not be reimbursed from any other source;
- The damage has not been fixed/cleaned; and
- The damage constitutes an HQS fail or a serious violation of the lease.

Some examples of damage that constitutes a serious violation of the lease are:

- Destroyed walls (large holes, mold from abuse by the family, excessive grease, graffiti)
- Destroyed floors (serious carpet stains that cannot be removed with a good cleaning, torn tile, badly stained wood floors)
- Broken light fixtures (more than one)
- Broken doors or door jambs
- Broken windows
- Overly dirty or broken appliances (stove, refrigerator)
- Excessive garbage and trash storage requiring more than two hours for one person to clean up
- Large items left behind (broken furniture, disabled vehicles, etc.)

The exit inspection may meet the requirement of LGF program. If the owner submitted an LGF claim and appears eligible for compensation in accordance with policies in Section 13-I.A, the PHA will determine the cost of damage to the unit using a list of covered items with set, non-negotiable amounts that the PHA will pay for each item. The following items are **not** covered under the LGF:

- Common areas
- Units other than the unit leased by the family
- Unpaid rent
- Damage committed more than two years after the effective date of HAP contract
- Infestations
- Mold damage
- Flood damage
- Smoking damage, other than cigarette burns in walls/carpet
- Fire damage
- Attorney's fees/court costs
- Damage not directly linked to the family's occupancy (such as damage caused by forces of nature).

8-II.G. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice. The PHA will verify the corrective actions on the next business day.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally no more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see Section 8-II.H.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

If no deficiencies are identified and the unit passed inspection, the PHA will not provide notification to the owner and the family.

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A repair cannot be completed because of the ownership change.

- A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA-approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items from the following list:

- Replacement of burnt-out light bulbs (interior/exterior)
- Replacement of cracked or missing switch or socket plates
- Replacement or repair of windows that allow air infiltration
- Replacement, cleaning, or repair of stove (new knobs, burners, oven elements, drip pans)
- Replacement, cleaning, or repair of refrigerator (new handle (no sharp edges), door seal, shelves, defrost freezer)
- Replacement of broken or destroyed interior doors (bedroom, bathroom, etc.)
- Repair of closet doors off track
- Cleaning of carpet stains
- Removal of excess debris
- Yard cleanup (including removal of old cars, car parts, mowing, weeding, etc.)
- Repair of wall or ceiling holes in units with no lead-based paint issues
- Replacement of cracked toilet seat(s)

- Replacement of missing heater knobs.

The PHA will not consider an item on the above list to be minor if it threatens the health or safety of any household member.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request. If, as a result of the audit inspection or reinspection, the PHA finds that the deficiencies have not been corrected, the PHA will take an enforcement action, and self-certification will no longer be an option.

Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax. If the PHA does not receive the completed and signed self-certification of repairs by the due date, the PHA will take an enforcement action, and self-certification will no longer be an option.

8-II.H. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

PHA Policy

Generally, the PHA will make all HAP abatements effective as of the first of the month following the specified correction period or, for self-certified items, as of the first of the month following the date the completed and signed certification of repairs was due to the PHA (including any approved extension). In cases when the payment has already been posted, the abatements will be effective as of the first of the next month.

The PHA has discretion not to abate the rent if an inspector determines that the owner has made a good faith effort to correct deficiencies.

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

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

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

PHA Policy

The maximum length of time that HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

8-II.I. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8-I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PHA Policy (MTW)

If the PHA compensates the owner for damages beyond normal wear and tear under the Landlord Guarantee Fund (LGF) in accordance with policies in Section 13-I.A, the amounts paid by the PHA to the owner must be repaid to the PHA by the family. The PHA will offer a repayment agreement to the family in accordance with policies in Chapter 16.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to determine rent reasonableness for the PHA-owned units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of rent reasonableness determinations conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control testing of rent reasonableness determinations by a third-party outside agency.

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 90 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent.

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Note: Notice PIH 2020-19 issued August 21, 2020 provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

Section 8 Tenant-Based Voucher Program Rents for Units Assisted by Low-Income Housing Tax Credits or Assistance under HUD’s HOME Investment Partnerships (HOME) Program [FR Notice, June 25, 2014]

For a unit receiving low-income housing tax credits (LIHTCs) pursuant to Section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD’s HOME program (for which the regulations are found in 24 CFR Part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

Low-Income Housing Tax Credits (LIHTC)

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study;
- (2) The payment standard established by the PHA for the unit size involved.

8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

PHA Policy

The PHA may use existing studies of rents in the PHA's jurisdiction, including Multifamily NW semiannual survey. In addition, the PHA may conduct its own survey to collect and maintain data on market rents in the PHA's jurisdiction. Information sources also include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis, and rent information that is more than 12 months old will not be used to determine rent reasonableness.

How Rents Are Determined

PHA Policy

The rent for a unit proposed for HCV assistance will be compared to the average market rent of similar unassisted units. To determine reasonable rent, the PHA will make adjustments to the average market rent to account for the features of the proposed unit that may impact rent.

The adjustments must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference - not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent), reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500/12 \text{ months} = \text{actual monthly rent of } \488 .

The PHA will notify the owner of the rent the PHA can approve based upon its analysis. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business days of the PHA's request for information or the owner's request to submit information.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed
- Provide all prospective families with "Protect Your Family from Lead in Your Home"
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

- (6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

Chapter 9

GENERAL LEASING POLICIES

INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the PHA and meet the Housing Quality Standards (HQS) [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the PHA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

PHA Policy (MTW)

Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family cannot exceed 50 percent of the family's monthly gross income.

9-I.A. TENANT SCREENING

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. The PHA must also inform the owner or manager of his / her rights and obligations under the Violence against Women Act of 2013 (VAWA) [24 CFR 5.2005(a)(2)].

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records) and the name and address (if known to the PHA) of the landlord at the family's current and prior address. [24 CFR 982.307(b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the family's tenancy [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

The PHA may not disclose to the owner any confidential information provided in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(b)(4)].

PHA Policy

The PHA will not screen applicants for family behavior or suitability for tenancy.

The PHA will provide the owner with the family's current and prior address (as shown in the PHA records); and the name and address (if known to the PHA) of the landlord at the family's current and prior address.

9-I.B. REQUESTING TENANCY APPROVAL

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit three documents to the PHA:

- Completed Request for Tenancy Approval (RTA)
- Completed Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards form
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A.

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owner and the family must certify that the owner is not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant family.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

PHA Policy (MTW)

The PHA will not require the owner and the family to submit a copy of the proposed lease with the RTA.

The PHA will require the owner to disclose the information on lead-based paint in the dwelling unit in the format acceptable to the PHA. The disclosure form must be signed by both the owner and the family and must be submitted to the PHA at the same time the RTA is submitted.

The owner may submit the RTA on behalf of the family.

Completed RTA must be submitted as hard copies, in-person, by mail, or by fax.

The family may not submit, and the PHA will not process, more than one (1) RTA at a time.

When the family submits the RTA the PHA will review the RTA for completeness.

If the RTA is incomplete, the PHA will notify the family and the owner of the deficiencies.

Corrections, missing information and/or missing documents will generally be accepted only as hard copies, in-person, by mail, or by fax. However, the PHA may choose to accept missing information over the phone when third-party oral verification is an option and missing information is minimal.

Because of the time sensitive nature of the tenancy approval process, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties cannot be reached by phone, fax, or email.

9-I.C. OWNER PARTICIPATION

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program. [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

9-I.D. ELIGIBLE UNITS

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

Ineligible Units [24 CFR 982.352(a)]

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

PHA-Owned Units [24 CFR 982.352(b)]

Otherwise eligible units that are owned or substantially controlled by the PHA issuing the voucher may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

PHA Policy

The PHA has eligible PHA-owned units available for leasing under the voucher program.

The PHA will inform the family of this housing at the time of the briefing. The PHA will also inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

Special Housing Types [24 CFR 982 Subpart M]

HUD regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

The regulations do require the PHA to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Duplicative Assistance [24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See Chapter 8 for a full discussion of the HQS standards, as well as the process for HQS inspection at initial lease-up.

Unit Size

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

Rent Burden [24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent and utilities does not exceed 40 percent of the family's monthly adjusted income. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

PHA Policy (MTW)

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent and utilities does not exceed 50 percent of the family's monthly gross income.

9-I.E. LEASE AND TENANCY ADDENDUM

The family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner. [24 CFR 982.308(a)]

Lease Form and Tenancy Addendum [24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

PHA Policy

The PHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

Lease Information [24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

Term of Assisted Tenancy

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

PHA Policy

The PHA prefers an initial lease term of at least one (1) year; however, the PHA may approve a shorter initial lease term if the PHA determines that:

- Such shorter term would improve housing opportunities for the tenant; and
- Such shorter term is the prevailing local market practice.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

Security Deposit [24 CFR 982.313 (a) and (b)]

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

PHA Policy

The PHA will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

PHA Policy (MTW)

The PHA offers one-time limited assistance with security deposit (as defined under the Oregon Landlord-Tenant Law) to Veterans Affairs Supportive Housing (VASH) and Family Unification Program Youth (FUP-Youth) voucher households leasing under the program. This deposit payment is provided through set-aside Moving to Work Initiatives Fund (MIF) in addition to ongoing monthly housing assistance payments.

The security deposit amount must be specified in the lease and be comparable to security deposits for other unassisted units. The amount of deposit assistance is capped at one-month's rent as approved by the PHA. The PHA will issue the payment directly to the owner once the lease-up process is completed and HAP contract is executed. This VASH and FUP-Youth security deposit assistance is currently available only for units located in the PHA's operating area.

Separate Non-Lease Agreements between Owner and Tenant

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by the PHA minus the PHA's housing assistance payment to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

PHA Policy

The PHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

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

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

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

PHA Review of Lease

The PHA will review the dwelling lease for compliance with all applicable requirements.

PHA Policy

If the dwelling lease is incomplete or incorrect, the PHA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept missing and corrected information over the phone.

Because the initial leasing process is time-sensitive, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties can't be reached by phone, fax, or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law. [24 CFR 982.308(c)]

PHA Policy

The PHA will not review the owner's lease for compliance with state/local law.

9-I.F. TENANCY APPROVAL [24 CFR 982.305]

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit is reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

PHA Policy (MTW)

The PHA will not require the owner and the family to submit a copy of the proposed lease with the RTA.

The PHA will complete its determination within 15 business days of receiving all required information.

If the terms of the RTA are changed for any reason, including but not limited to negotiation with the PHA, the PHA will obtain corrected copies of the RTA.

Corrections to the RTA will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept corrections over the phone.

If the PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The PHA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable and did not pass inspection within 30 days of RTA submission date, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family's share of rent and utilities must not exceed 50 percent of the family's monthly gross income.

9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit occupied by a housing choice voucher assisted family. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract format is prescribed by HUD.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

PHA Policy

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The PHA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the PHA will execute the HAP contract. The PHA will not execute the HAP contract until the owner has submitted IRS form W-9. The PHA will ensure that the owner receives a copy of the executed HAP contract.

PHA Policy (MTW)

The HAP contract may be executed within 120 days of the lease term with minor discrepancies being allowed including different dates of the lease term and other lease terms such as responsible utility payments.

See Chapter 13 for a discussion of the HAP contract and contract provisions.

9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, voucher assistance in the unit shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex.

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify the PHA at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or give the family notice in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

PHA Policy (MTW)

The PHA will not execute a new HAP contract where there are changes in lease requirements governing tenant or owner responsibilities for utilities or appliances. If the owner and the family agree to such changes, the PHA will require a copy of written agreement executed by the owner and the family. The PHA must receive a copy of the agreement at least 30 days before the changes go into effect.

The PHA will not execute a new HAP contract where there are changes in lease provisions governing the term of the lease. The PHA must receive a copy of the new lease agreement at least 30 days before the lease start date.

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 90 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

Chapter 9

GENERAL LEASING POLICIES

INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the PHA and meet the Housing Quality Standards (HQS) [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the PHA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

PHA Policy (MTW)

Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family cannot exceed 50 percent of the family's monthly gross income.

9-I.A. TENANT SCREENING

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. The PHA must also inform the owner or manager of his / her rights and obligations under the Violence against Women Act of 2013 (VAWA) [24 CFR 5.2005(a)(2)].

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records) and the name and address (if known to the PHA) of the landlord at the family's current and prior address. [24 CFR 982.307(b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the family's tenancy [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

The PHA may not disclose to the owner any confidential information provided in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(b)(4)].

PHA Policy

The PHA will not screen applicants for family behavior or suitability for tenancy.

The PHA will provide the owner with the family's current and prior address (as shown in the PHA records); and the name and address (if known to the PHA) of the landlord at the family's current and prior address.

9-I.B. REQUESTING TENANCY APPROVAL

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit three documents to the PHA:

- Completed Request for Tenancy Approval (RTA)
- Completed Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards form
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A.

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owner and the family must certify that the owner is not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant family.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

PHA Policy (MTW)

The PHA will not require the owner and the family to submit a copy of the proposed lease with the RTA.

The PHA will require the owner to disclose the information on lead-based paint in the dwelling unit in the format acceptable to the PHA. The disclosure form must be signed by both the owner and the family and must be submitted to the PHA at the same time the RTA is submitted.

The owner may submit the RTA on behalf of the family.

Completed RTA must be submitted as hard copies, in-person, by mail, or by fax.

The family may not submit, and the PHA will not process, more than one (1) RTA at a time.

When the family submits the RTA the PHA will review the RTA for completeness.

If the RTA is incomplete, the PHA will notify the family and the owner of the deficiencies.

Corrections, missing information and/or missing documents will generally be accepted only as hard copies, in-person, by mail, or by fax. However, the PHA may choose to accept missing information over the phone when third-party oral verification is an option and missing information is minimal.

Because of the time sensitive nature of the tenancy approval process, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties cannot be reached by phone, fax, or email.

9-I.C. OWNER PARTICIPATION

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program. [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

9-I.D. ELIGIBLE UNITS

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

Ineligible Units [24 CFR 982.352(a)]

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

PHA-Owned Units [24 CFR 982.352(b)]

Otherwise eligible units that are owned or substantially controlled by the PHA issuing the voucher may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

PHA Policy

The PHA has eligible PHA-owned units available for leasing under the voucher program.

The PHA will inform the family of this housing at the time of the briefing. The PHA will also inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

Special Housing Types [24 CFR 982 Subpart M]

HUD regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

The regulations do require the PHA to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Duplicative Assistance [24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See Chapter 8 for a full discussion of the HQS standards, as well as the process for HQS inspection at initial lease-up.

Unit Size

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

Rent Burden [24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent and utilities does not exceed 40 percent of the family's monthly adjusted income. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

PHA Policy (MTW)

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent and utilities does not exceed 50 percent of the family's monthly gross income.

9-I.E. LEASE AND TENANCY ADDENDUM

The family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner. [24 CFR 982.308(a)]

Lease Form and Tenancy Addendum [24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

PHA Policy

The PHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

Lease Information [24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

Term of Assisted Tenancy

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

PHA Policy

The PHA prefers an initial lease term of at least one (1) year; however, the PHA may approve a shorter initial lease term if the PHA determines that:

- Such shorter term would improve housing opportunities for the tenant; and
- Such shorter term is the prevailing local market practice.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

Security Deposit [24 CFR 982.313 (a) and (b)]

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

PHA Policy

The PHA will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

PHA Policy (MTW)

The PHA offers one-time limited assistance with security deposit (as defined under the Oregon Landlord-Tenant Law) to Veterans Affairs Supportive Housing (VASH) and Family Unification Program Youth (FUP-Youth) voucher households leasing under the program. This deposit payment is provided through set-aside Moving to Work Initiatives Fund (MIF) in addition to ongoing monthly housing assistance payments.

The security deposit amount must be specified in the lease and be comparable to security deposits for other unassisted units. The amount of deposit assistance is capped at one-month's rent as approved by the PHA. The PHA will issue the payment directly to the owner once the lease-up process is completed and HAP contract is executed. This VASH and FUP-Youth security deposit assistance is currently available only for units located in the PHA's operating area.

Separate Non-Lease Agreements between Owner and Tenant

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by the PHA minus the PHA's housing assistance payment to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

PHA Policy

The PHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

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

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

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

PHA Review of Lease

The PHA will review the dwelling lease for compliance with all applicable requirements.

PHA Policy

If the dwelling lease is incomplete or incorrect, the PHA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept missing and corrected information over the phone.

Because the initial leasing process is time-sensitive, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties can't be reached by phone, fax, or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law. [24 CFR 982.308(c)]

PHA Policy

The PHA will not review the owner's lease for compliance with state/local law.

9-I.F. TENANCY APPROVAL [24 CFR 982.305]

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit is reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent and utilities to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

PHA Policy (MTW)

The PHA will not require the owner and the family to submit a copy of the proposed lease with the RTA.

The PHA will complete its determination within 15 business days of receiving all required information.

If the terms of the RTA are changed for any reason, including but not limited to negotiation with the PHA, the PHA will obtain corrected copies of the RTA.

Corrections to the RTA will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept corrections over the phone.

If the PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The PHA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable and did not pass inspection within 30 days of RTA submission date, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family's share of rent and utilities must not exceed 50 percent of the family's monthly gross income.

9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit occupied by a housing choice voucher assisted family. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract format is prescribed by HUD.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

PHA Policy

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The PHA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the PHA will execute the HAP contract. The PHA will not execute the HAP contract until the owner has submitted IRS form W-9. The PHA will ensure that the owner receives a copy of the executed HAP contract.

PHA Policy (MTW)

The HAP contract may be executed within 120 days of the lease term with minor discrepancies being allowed including different dates of the lease term and other lease terms such as responsible utility payments.

See Chapter 13 for a discussion of the HAP contract and contract provisions.

9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, voucher assistance in the unit shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex.

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify the PHA at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or give the family notice in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

PHA Policy (MTW)

The PHA will not execute a new HAP contract where there are changes in lease requirements governing tenant or owner responsibilities for utilities or appliances. If the owner and the family agree to such changes, the PHA will require a copy of written agreement executed by the owner and the family. The PHA must receive a copy of the agreement at least 30 days before the changes go into effect.

The PHA will not execute a new HAP contract where there are changes in lease provisions governing the term of the lease. The PHA must receive a copy of the new lease agreement at least 30 days before the lease start date.

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 90 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

Chapter 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II: Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA.

12-I.B. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request to terminate their assistance at any time.

PHA Policy

The PHA will terminate a household's assistance at their request. The PHA prefers the household makes the request to voluntarily terminate assistance in writing. The written request must be signed by the head of household, and spouse or cohead if applicable. If a family fails to provide a written signed notification, the PHA will accept a verbal notification from the head of household, spouse, or cohead. The PHA will then send a confirmation notice to the family and the owner within 15 business days of the family's request.

12-I.C. MANDATORY TERMINATION OF ASSISTANCE – PROGRAM ELIGIBILITY

HUD requires the PHA to terminate assistance in the following circumstances.

Failure to Document Citizenship or Eligible Immigration Status [24 CFR 982.552(b)(4) and 24 CFR 5.514(c)]

Program requirements related to Citizenship and Eligible Immigration Status are outlined in Chapter 3-II.B.

The PHA must terminate assistance if:

1. A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
2. A family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or
3. A family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2012-10]

Program requirements related to Disclosing and Documenting Social Security Numbers are outlined in Chapter 3-II.C.

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

PHA Policy

The PHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

Program requirements related to Family Consent to Release of Information are outlined in Chapter 3-II.D.

The PHA must terminate assistance if any family member fails to complete the paperwork required to recertify their eligibility or sign and submit any consent form they are required to sign for a reexamination or otherwise related to verification of income. See Chapter 11 for a complete discussion of reexamination requirements. See Chapter 7 for a complete discussion of consent requirements.

PHA Policy

The PHA will perform the following minimum outreach to a program participant prior to proposing termination for this reason:

- Perform initial outreach to the participant by sending a notification letter at least 120 days prior to due date of the required paperwork and consent forms.
- Reach out a minimum of two times, not including the required initial outreach, over the 120 period prior to the due date of the participants paperwork and consent forms.
- Use at least two different methods of communication when performing the minimum outreach requirements. Outreach options include, but are not limited to: e-mail, notification letter, phone call, voice mail, text message.
- State the deadline for submission of required paperwork and consent forms in each outreach attempt.

If the PHA terminates a program participant's assistance for this reason, the PHA will allow a participant to reinstate their assistance within 180 days of their termination date if the participant was not able to complete the required paperwork or consent forms because of extenuating circumstances. Requests for reinstatement due to extenuating circumstances must be made in writing. The extenuating circumstances the PHA may consider in making its decision regarding reinstatement include, but are not limited to, hospitalization, serious illness or death in the family, or other family emergency.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

Program eligibility requirements for Students Enrolled in Institutions of Higher Education are outlined in Chapter 3-II.E.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, and is not residing with his/her parents in an HCV assisted household, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

Lifetime Registered Sex Offenders [Notice PIH 2012-28]

Should the PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA will immediately terminate assistance for the household member.

In this situation, the PHA will offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(I)(ii)]

The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

Death of the Sole Family Member [PIH Notice 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

Zero Housing Assistance Payment [24 CFR 982.455]

As a family's income increases, the amount of the PHA's housing assistance payment (HAP) on behalf of the family decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance automatically terminates 180 days after the last HAP payment.

PHA Policy (MTW)

If the amount of assistance provided by the PHA is reduced to zero, the family's assistance automatically terminates 365 days after the last HAP payment.

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the PHA of the change and request an interim reexamination at any time before the expiration of the ~~180~~365-day period by submitting a completed interim packet. No termination will occur if the interim reexamination results in a HAP payment to the owner.

Prior to proposing program termination for this reason, the PHA will apply the most recently updated payment standard to the household. If use of the most recently updated payment standard results in a HAP payment to the owner, termination will not occur.

12-I.D. MANDATORY TERMINATION OF ASSISTANCE – PROGRAM VIOLATION

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

The PHA must terminate assistance if a family is evicted from a unit assisted under the Housing Choice Voucher (HCV) program for a serious violation of the lease. As discussed further in Section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious violations of the lease by the victim or threatened victim of such violence, sexual assault, or stalking.

PHA Policy (MTW)

If an owner evicts a household in a PBV assisted unit as allowed in Chapter 17-VII.B, the family’s assistance automatically terminates as a result of eviction from the assisted unit.

An eviction of a family with a If a family with a tenant-based voucher is evicted for a serious lease violation is not a basis for termination of assistance by the PHA, the PHA will terminate assistance.

~~“Evicted” shall mean: A household has been removed from a rental unit by the sheriff through enforcement of a Writ of Execution of a Judgment of Restitution that was obtained after a trial or after the household has failed to comply with an order by stipulation but not by default of the household.~~

Formatted: Indent: Left: 0"

~~“Serious violation of the lease” shall mean: A lease violation that results in the service of a 24-Hour Notice of Termination under ORS 90.396, but not including the following reasons:~~

- ~~• The tenant intentionally provided substantial false information on the application for the tenancy within the past year (ORS 90.396 (1)(e));~~
- ~~• Prostitution (ORS 90.396(1)(f)(A));~~
- ~~• Manufacture of a cannabinoid extract (ORS 90.396(1)(f)(C)); or~~
- ~~• Unlawful possession of a controlled substance (ORS 90.396(1)(f)(B)).~~

Formatted: Right: 0", No bullets or numbering

Formatted: Right: 0", Space Before: 6 pt, Line spacing: single, No bullets or numbering

~~In making its decision, the PHA must consider the criteria described in Sections 12-II.D and 12-II.E. On a case-by-case basis, the PHA may utilize any of the alternatives to termination described in Section 12-II.C.~~

Formatted: Indent: Left: 0"

~~Generally, the criterion the PHA will consider will be whether or not the reason for the eviction was the fault of the tenant or guests.~~

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

PHA Policy (MTW)

If a family is absent from the unit for more than 60 consecutive calendar days, the unit will not be considered the family's principal place of residence, and the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

If a household meets one of the follow exceptions, they may be absent from the unit for more than 60 days and up to 180 days:

- ~~1. Sole household member is in a nursing home, hospital or any inpatient treatment (determined to be medically necessary or for substance abuse rehabilitation and treatment);~~
- 2.1. Household is visiting a relative outside of the United States;
- 3.2. Household is caring for a family member or relative with a serious health condition;
- 4.3. Household is unable to travel for health and safety reasons related to a declared local, state, or federal disaster or state of emergency (e.g., COVID-19);
- 5.4. Sole household member is incarcerated for a crime for which the PHA would not propose termination as outlined in Section 12-I.E Drug Related Criminal Activity, Section 12-I.E Violent Criminal Activity, and Section 12-I.E Other Criminal Activity; or
- 6. Household has other good cause as determined by the PHA.
- 5.

In addition to the above exemptions, if the sole household member is in a nursing home, hospital or any inpatient treatment (determined to be medically necessary or for substance abuse rehabilitation and treatment), they may be absent from the unit for more than 60 days and up to 270 days.

For purposes of the above exceptions, relative is defined to include parents, parents-in-law, grandparents, grandchildren, children, aunts, and uncles. A relative is not required to have a biological connection to the family member.

The PHA may request verification that a household meets one of the exceptions above, including verification from third-party competent to make the determination in applicable cases. If the third-party provides that the absence from the unit will be for a total of more than 180 or 270 consecutive calendar days, depending on the applicable exemption, the unit will not be considered the family's principal place of residence, and the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

Formatted: Right: 0.14",SpaceBefore: 0 pt, Numbered+ Level: 1 + NumberingStyle: 1, 2, 3, ... + Startat: 1 + Alignment:Left + Aligned at: 1.16" + Indent at: 1.41"

12-I.E. MANDATORY POLICIES REGARDING TERMINATION OF ASSISTANCE - DRUG AND ALCOHOL AND CRIMINAL ACTIVITY

Drug and Alcohol Related [24 CFR 982.553(b) and 982.551(1)]

HUD requires the PHA to establish standards that allow the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity

Note: PHAs in states that have enacted laws legalizing the use of medical marijuana must establish a standard and adopt written policy regarding whether or not to allow continued assistance for current participants who are medical marijuana users [HUD Memorandum, February 10, 2011].

Medical marijuana is defined by HUD as marijuana which, when prescribed by a physician to treat a serious illness such as AIDS, cancer, or glaucoma, is legal under State law.

Drug is defined by HUD as a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

PHA Policy:

The PHA may terminate a family's assistance if a household member:

1. Is convicted of a felony crime of manufacture or delivery of a controlled substance;
or
2. Is convicted of a felony crime of possession of a controlled substance and will be absent from the unit for more than 180 days due to incarceration as outlined in Section 12.I.D Family Absence from Unit;
~~3. Is evicted, as defined in Section 12.I.D Evictions, based on a 24-hour lease-termination notice under ORS 90.396(f)(B) for the unlawful manufacture or distribution of a controlled substance; or~~
- ~~4. Is evicted, as defined in Section 12.I.D Evictions, based on a 24-hour lease-termination notice for behavior associated with drug or alcohol use.~~

The PHA will allow continued assistance for current participants who are medical marijuana users, as defined by the State law¹.

~~*Other person under the tenant's control* is defined as a person that, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because~~

Formatted: Indent: Left: 0.83", No bullets or numbering

¹ Authorized by Home Forward's Moving to Work Annual Plan.
© Copyright 2017 Nan McKay & Associates, Inc. Page 12-7
Unlimited copies may be made for internal use .

~~of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate (legal) commercial purposes is not under the tenant's control.~~

In making its decision, the PHA must consider the criteria described in Sections 12-II.D and 12-II.E. On a case-by-case basis, the PHA may utilize any of the alternatives to termination described in Section 12-II.C.

Violent Criminal Activity [24 CFR 982.553(b), 982.551(1) and 24 CFR 5.100]

HUD requires the PHA to establish standards that permit the PHA to terminate assistance if the PHA determines that:

- Any household member has violated the family's obligation not to engage in violent criminal activity.

Violent criminal activity, as defined by HUD means, any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

PHA Policy

The PHA will terminate a family's assistance if a household member has been convicted of a felony for violent criminal activity and will be absent from the unit for more than 60 days due to incarceration ~~[see as described in Section 12-I.D Family Absence from Unit].~~

~~The PHA will terminate a family's assistance for evictions related to violence criminal activity as outlined in Section 12-I.D. Evictions.~~

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

12-1.F. DISCRETIONARY TERMINATION OF ASSISTANCE

Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c), 24 CFR 5.2005(c)]

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in Section 12-II.E, the Violence Against Women Act of 2013 explicitly prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, or stalking as reasons for terminating the assistance of a victim of such abuse.

In making its decision whether or not to terminate assistance, the PHA must consider the criteria described in Sections 12-II.D and 12-II.E. On a case-by-case basis, the PHA may utilize any of the alternatives to termination described in Section 12-II.C.

Other Criminal Activity

PHA Policy

The PHA will terminate assistance if any adult household member has been convicted of one of the following crimes while assisted:

1. Felony identity theft; or
2. Felony fraud or other criminal act related to their eligibility for federal housing assistance.

Statement of Family Obligations

PHA Policy

The PHA **may** terminate a family's assistance if:

The family has failed to comply with any of the following family obligations under the program:

- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.
 - The PHA will only terminate in the case of excessive damage or instances of repeated damage beyond normal wear and tear. Damage beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.
- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.
 - The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the PHA at the same time the owner is notified.
- The composition of the assisted family residing in the unit must be approved by the

Formatted: Indent: Left: 0.5", No bullets or

Formatted: Font color: Auto, Characterscale: 100%

Formatted

Formatted

PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

o The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

• The family must promptly notify the PHA when the family is absent from the unit.

o Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.

• All family members age 18 and over must attend all scheduled appointments and must bring all requested information to these appointments at the scheduled time.

• Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

o Fraud is defined as an act or pattern of actions done with the intent to deceive or mislead in order to gain an advantage. The act or action can include a false statement, omission, or concealment of a substantive fact. The following do not qualify as fraud: an unintentional error; and an omission or misreporting due to misunderstanding. See Chapter 14, Program Integrity for additional information.

• See Exhibit 12-1 for a listing of all family obligations and related PHA policies.

Formatted: Font: Not Italic

Formatted

Formatted

Formatted: No underline

Formatted: No underline

Formatted: No underline

Formatted: Underline

Formatted: Indent: First line: 0.5", No bullets or numbering

Owes Money to PHA

PHA Policy

The PHA **may** terminate a family's assistance if:

- The family currently owes rent or other amounts to the PHA and fails to repay the amount or defaults on a repayment agreement as outlined in Chapter 16-IV.B.

Violence toward PHA Staff

PHA Policy

The PHA **may** terminate a family's assistance if:

- A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that would objectively result in intimidation may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that objectively communicate intent to abuse or commit violence.

Insufficient Funding [24 CFR 982.454]

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued

Section 8 Administrative Plan

assistance for families in the program.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion, and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to approve a request for tenancy or to enter into a new HAP contract, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

PHA Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to stay as a guest in the assisted unit. The family may be required to present evidence of the former family member's current address upon PHA request.

Repayment of Family Debts

PHA Policy

If a family owes amounts to the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount or to enter into a repayment agreement within 30 calendar days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

If a family has breached the terms of a repayment agreement entered into with the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount of the debt within 30 calendar days of receiving notice from the PHA of the amount owed.

If the family fails to repay the full amount of the debt before the deadline specified in the notice, the PHA will terminate the family's assistance. See Chapter 16 for policies on [non-payment of](#) repayment agreements.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

PHA Policy

The PHA will only consider felony convictions as outlined in Chapter 12-I.D.

The PHA will not consider:

- Preponderance of the evidence
- Arrests
- Criminal charges
- Misdemeanor convictions

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

PHA Policy

The PHA will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents;
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act;
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in Section 12-II.E) a victim of domestic violence, dating violence, sexual assault, or stalking;
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future;
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully;
- The PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully; and
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

PHA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

This section describes the protections against termination of assistance that the Violence Against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see Section 16-IX of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault, or stalking. (*Note:* The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.)

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member 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 unit [24 CFR 982.354(b)(4)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or an affiliated individual of the tenant is the actual or threatened victim of the domestic violence, dating violence, sexual assault, or stalking [24 CFR 5.2005(c)(2)].

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

Limitations on VAWA Protections [24 CFR 5.2003, 24 CFR 5.2005(d)]

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault, or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(2)].

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault, or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance [24 CFR 5.2005(d)(3)].

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(3), 24 CFR 5.2003]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(4)].

PHA Policy

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

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

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

Documentation of Abuse [24 CFR 5.2007]

PHA Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault, or stalking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in Section 16-IX.D of this plan.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [3/16/07 *Federal Register* notice on the applicability of VAWA to HUD programs].

PHA Policy

The PHA will terminate assistance to a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to the PHA by the victim in accordance with this section and Section 16-IX.D. The PHA will also consider the factors in Section 12-II.D. Upon such consideration, the PHA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If the PHA does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

HUD regulations require PHAs to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family's HAP contract and lease will also terminate when the family's assistance terminates [form HUD-52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

PHA Policy

Whenever a family's assistance will be terminated, the PHA will send a written notice of termination to the family and to the owner. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in Section 16-III.C of this plan. VAWA 2013 expands notification requirements to require PHAs to provide notice of VAWA rights and the form HUD-5382 with any notification of termination of family's housing assistance.

PHA Policy

Whenever the PHA decides to terminate a family's assistance because of the family's action or failure to act, the PHA will include in its termination notice the VAWA information described in Section 16-IX.C of this plan and a form HUD-5382. The PHA will request in writing that a family member wishing to claim protection under VAWA notify the PHA within 10 business days.

Still other notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, the PHA must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in Section 12-I.C, the special notice requirements in Section 16-III.D must be followed.

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310, 24 CFR 5.2005(c), and Form HUD-52641-A, Tenancy Addendum]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking and the victim is protected from eviction by the Violence Against Women Act of 2013 (see Section 12-II.E). A serious lease violation includes failure to pay rent or other amounts due under the lease.

However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*-meaning any member of the household, a guest, or another person under the tenant's control-commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
- Any criminal activity that 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;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see Section 12-II.E).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeting to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner [may](#) include:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

[The above examples of other good cause in this paragraph do not preempt any State or local laws to the contrary.](#)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease [and state law](#).

12-III.C. EVICTION [24 CFR 982.310(e) and (t) and Form HUD-52641-A, Tenancy Addendum]

The owner 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 at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

PHA Policy

The owner must provide the PHA with a copy of any termination notice served on the family. If owner obtains a Judgment of Restitution or enters into a Stipulated Order with the family to vacate the dwelling unit, the owner must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered move-out date.

12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault, or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See Section 12-II.E).

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

Section 8 Administrative Plan

EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.

PHA Policy

~~The PHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court ordered eviction or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.~~

- ~~Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(e)(1)].~~

- The family must notify the PHA and the owner before moving out of the unit or terminating

Formatted: List Paragraph, Indent: Left: 0.09", Hanging: 0.5", Right: 1.37", Line spacing: Multiple 1.51 li, Bulleted + Level: 1 + Aligned at: 0.08" + Indent at: 0.33", Tabstops: 0.33", Left + 0.33", Left

Section 8 Administrative Plan

the lease.

PHA Policy

The family must comply with lease requirements regarding written notice to the owner.

The family must provide written notice to the PHA at the same time the owner is notified.

- The family must promptly give the PHA a copy of any owner eviction notice.

Section 8 Administrative Plan

- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

PHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.

PHA Policy

The family must promptly notify the PHA in writing if any family member no longer lives in the unit or will be away from the unit for a period of 30 days or more.

- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- Members of the family may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit by members of the family.
- The family must not sublease the unit, assign the lease, or transfer the unit.

PHA Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose.
- The family must promptly notify the PHA when the family is absent from the unit.

PHA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].

- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

PHA Policy

Fraud is defined as an act or pattern of actions done with the intent to deceive or mislead in order to gain an advantage. The act or action can include a false statement, omission, or concealment of a substantive fact. The following do not qualify as fraud:

- An unintentional error

- An omission or misreporting due to misunderstanding.

• (See Chapter 14, Program Integrity for additional information).

- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.

PHA Policy

~~This applies to any member of the household, a guest, or any other person on the property under the tenant's control. Other person under the tenant's control is defined as a person that, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate (legal) commercial purposes is not under the tenant's control.~~

- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.

PHA Policy

~~This applies to any member of the household, a guest, or any other person on the property under the tenant's control. Other person under the tenant's control is defined as a person that, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate (legal) commercial purposes is not under the tenant's control.~~

- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless

Formatted: Characterscale:100%

Formatted: Underline

Formatted: Indent: Left: 0.34", No bullets or numbering

Section 8 Administrative Plan

the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

Additional Requirements for Participant Families (PHA Policy)

- The family must promptly report any changes in family size.
- The family must promptly report any income if no member of the family previously had countable income.
- All family members age 18 and over must attend all scheduled appointments and must bring all requested information to these appointments at the scheduled time.
- ~~• The family may not currently owe rent or other amounts to any PHA. Amounts owed are subject to the local statute of limitations unless owed under a judgment.~~
- ~~• The family must reimburse the PHA for any amounts paid to the owner under a contract for rent or other amounts owed by the family under the lease or for a vacated unit.~~
- ~~• The family must reimburse the PHA for any amounts paid to the owner under the Landlord-Guarantee Fund as a compensation for damages to the unit beyond normal wear and tear.~~
- The family may not breach an agreement to repay the PHA for amounts owed. A breach of repayment agreement is defined as failure to make the full payment in the month for which the payment is due in Chapter 16e.
- ~~• No member of the family can have been evicted from public or federally assisted housing within the last five years.~~
- ~~• No member of the family can have been terminated from the Section 8 program by the PHA within the last five years.~~
- No member of the family may engage in or threaten abusive or violent behavior toward any personnel of the PHA.
- ~~• No member of the family can have been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.~~
- ~~• No member of the family can be subject to a lifetime registration requirement under a State sex offender registration program in any state.~~

Chapter 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II: Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-1.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA

12-I.B. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request to terminate their assistance at any time.

PHA Policy

The PHA will terminate a household's assistance at their request. The PHA prefers the household makes the request to voluntarily terminate assistance in writing. The written request must be signed by the head of household, and spouse or cohead if applicable. If a family fails to provide a written signed notification, the PHA will accept a verbal notification from the head of household, spouse, or cohead. The PHA will then send a confirmation notice to the family and the owner within 15 business days of the family's request.

12-I.C. MANDATORY TERMINATION OF ASSISTANCE – PROGRAM ELIGIBILITY

HUD requires the PHA to terminate assistance in the following circumstances.

Failure to Document Citizenship or Eligible Immigration Status [24 CFR 982.552(b)(4) and 24 CFR 5.514(c)]

Program requirements related to Citizenship and Eligible Immigration Status are outlined in Chapter 3-II.B.

The PHA must terminate assistance if:

1. A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
2. A family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or
3. A family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2012-10]

Program requirements related to Disclosing and Documenting Social Security Numbers are outlined in Chapter 3-II.C.

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

PHA Policy

The PHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

Program requirements related to Family Consent to Release of Information are outlined in Chapter 3-II.D.

The PHA must terminate assistance if any family member fails to complete the paperwork required to recertify their eligibility or sign and submit any consent form they are required to sign for a reexamination or otherwise related to verification of income. See Chapter 11 for a complete discussion of reexamination requirements. See Chapter 7 for a complete discussion of consent requirements.

PHA Policy

The PHA will perform the following minimum outreach to a program participant prior to proposing termination for this reason:

- Perform initial outreach to the participant by sending a notification letter at least 120 days prior to due date of the required paperwork and consent forms.
- Reach out a minimum of two times, not including the required initial outreach, over the 120 period prior to the due date of the participants paperwork and consent forms.
- Use at least two different methods of communication when performing the minimum outreach requirements. Outreach options include, but are not limited to: e-mail, notification letter, phone call, voice mail, text message.
- State the deadline for submission of required paperwork and consent forms in each outreach attempt.

If the PHA terminates a program participant's assistance for this reason, the PHA will allow a participant to reinstate their assistance within 180 days of their termination date if the participant was not able to complete the required paperwork or consent forms because of extenuating circumstances. Requests for reinstatement due to extenuating circumstances must be made in writing. The extenuating circumstances the PHA may consider in making its decision regarding reinstatement include, but are not limited to, hospitalization, serious illness or death in the family, or other family emergency.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

Program eligibility requirements for Students Enrolled in Institutions of Higher Education are outlined in Chapter 3-II.E.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, and is not residing with his/her parents in an HCV assisted household, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

Lifetime Registered Sex Offenders [Notice PIH 2012-28]

Should the PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA will immediately terminate assistance for the household member.

In this situation, the PHA will offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

Death of the Sole Family Member [PIH Notice 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

Zero Housing Assistance Payment [24 CFR 982.455]

As a family's income increases, the amount of the PHA's housing assistance payment (HAP) on behalf of the family decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance automatically terminates 180 days after the last HAP payment.

PHA Policy (MTW)

If the amount of assistance provided by the PHA is reduced to zero, the family's assistance automatically terminates 365 days after the last HAP payment.

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the PHA of the change and request an interim reexamination at any time before the expiration of the 365-day period by submitting a completed interim packet. No termination will occur if the interim reexamination results in a HAP payment to the owner.

Prior to proposing program termination for this reason, the PHA will apply the most recently updated payment standard to the household. If use of the most recently updated payment standard results in a HAP payment to the owner, termination will not occur.

12-1.D. MANDATORY TERMINATION OF ASSISTANCE – PROGRAM VIOLATION

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

The PHA must terminate assistance if a family is evicted from a unit assisted under the Housing Choice Voucher (HCV) program for a serious violation of the lease. As discussed further in Section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious violations of the lease by the victim or threatened victim of such violence, sexual assault, or stalking.

PHA Policy (MTW)

If an owner evicts a household in a PBV assisted unit as allowed in Chapter 17-VII.B, the family's assistance automatically terminates as a result of eviction from the assisted unit.

An eviction of a family with a tenant-based voucher is not a basis for termination of assistance by the PHA.

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

PHA Policy (MTW)

If a family is absent from the unit for more than 60 consecutive calendar days, the unit will not be considered the family's principal place of residence, and the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

If a household meets one of the follow exceptions, they may be absent from the unit for more than 60 days and up to 180 days:

1. Household is visiting a relative outside of the United States;
2. Household is caring for a family member or relative with a serious health condition;
3. Household is unable to travel for health and safety reasons related to a declared local, state, or federal disaster or state of emergency (e.g., COVID-19);
4. Sole household member is incarcerated for a crime for which the PHA would not propose termination as outlined in Section 12-I.E Drug Related Criminal Activity, Section 12-I.E Violent Criminal Activity, and Section 12-I.E Other Criminal Activity; or
5. Household has other good cause as determined by the PHA.

In addition to the above exemptions, if the sole household member is in a nursing home, hospital or any inpatient treatment (determined to be medically necessary or for substance abuse rehabilitation and treatment), they may be absent from the unit for more than 60 days and up to 270 days.

For purposes of the above exceptions, relative is defined to include parents, parents-in-law, grandparents, grandchildren, children, aunts, and uncles. A relative is not required to have a biological connection to the family member.

The PHA may request verification that a household meets one of the exceptions above, including verification from third-party competent to make the determination in applicable

Section 8 Administrative Plan

cases. If the third-party provides that the absence from the unit will be for a total of more than 180 or 270 consecutive calendar days, depending on the applicable exemption, the unit will not be considered the family's principal place of residence, and the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

12-IE. MANDATORY POLICIES REGARDING TERMINATION OF ASSISTANCE - DRUG AND ALCOHOL AND CRIMINAL ACTIVITY

Drug and Alcohol Related [24 CFR 982.553(b) and 982.551(1)]

HUD requires the PHA to establish standards that allow the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity

Note: PHAs in states that have enacted laws legalizing the use of medical marijuana must establish a standard and adopt written policy regarding whether or not to allow continued assistance for current participants who are medical marijuana users [HUD Memorandum, February 10, 2011].

Medical marijuana is defined by HUD as marijuana which, when prescribed by a physician to treat a serious illness such as AIDS, cancer, or glaucoma, is legal under State law.

Drug is defined by HUD as a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

PHA Policy:

The PHA may terminate a family's assistance if a household member:

1. Is convicted of a felony crime of manufacture or delivery of a controlled substance; or
2. Is convicted of a felony crime of possession of a controlled substance and will be absent from the unit for more than 180 days due to incarceration as outlined in Section 12.I.D Family Absence from Unit.

The PHA will allow continued assistance for current participants who are medical marijuana users, as defined by the State law¹.

In making its decision, the PHA must consider the criteria described in Sections 12-II.D and 12-II.E. On a case-by-case basis, the PHA may utilize any of the alternatives to termination described in Section 12-II.C.

Violent Criminal Activity [24 CFR 982.553(b), 982.551(1) and 24 CFR 5.100]

HUD requires the PHA to establish standards that permit the PHA to terminate assistance if the PHA determines that:

- Any household member has violated the family's obligation not to engage in violent criminal

¹ Authorized by Home Forward's Moving to Work Annual Plan.
© Copyright 2017 Nan McKay & Associates, Inc. Page 12-7
Unlimited copies may be made for internal use .
Home Forward Board of Commissioners
January 2024

activity.

Violent criminal activity, as defined by HUD means, any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

PHA Policy

The PHA will terminate a family's assistance if a household member has been convicted of a felony for violent criminal activity and will be absent from the unit for more than 60 days due to incarceration as described in Section 12-I.D Family Absence from Unit.

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

12-1.F. DISCRETIONARY TERMINATION OF ASSISTANCE

Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c), 24 CFR 5.2005(c)]

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in Section 12-II.E, the Violence Against Women Act of 2013 explicitly prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, or stalking as reasons for terminating the assistance of a victim of such abuse.

In making its decision whether or not to terminate assistance, the PHA must consider the criteria described in Sections 12-II.D and 12-II.E. On a case-by-case basis, the PHA may utilize any of the alternatives to termination described in Section 12-II.C.

Other Criminal Activity

PHA Policy

The PHA will terminate assistance if any adult household member has been convicted of one of the following crimes while assisted:

1. Felony identity theft; or
2. Felony fraud or other criminal act related to their eligibility for federal housing assistance.

Statement of Family Obligations

PHA Policy

The PHA **may** terminate a family's assistance if the family has failed to comply the following family obligations under the program:

- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.
 - The PHA will only terminate in the case of excessive damage or instances of repeated damage beyond normal wear and tear. Damage beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.
- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.
 - The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the PHA at the same time the owner is notified.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any

other family member as an occupant of the unit.

- The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.
- The family must promptly notify the PHA when the family is absent from the unit.
 - Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.
- All family members age 18 and over must attend all scheduled appointments and must bring all requested information to these appointments at the scheduled time.
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.
 - Fraud is defined as an act or pattern of actions done with the intent to deceive or mislead in order to gain an advantage. The act or action can include a false statement, omission, or concealment of a substantive fact. The following do not qualify as fraud: an unintentional error; and an omission or misreporting due to misunderstanding. See Chapter 14, Program Integrity for additional information.

See Exhibit 12-1 for a listing of all family obligations and related PHA policies.

Owes Money to PHA

PHA Policy

The PHA **may** terminate a family's assistance if:

- The family currently owes rent or other amounts to the PHA and fails to repay the amount or defaults on a repayment agreement as outlined in Chapter 16-IV.B.

Violence toward PHA Staff

PHA Policy

The PHA **may** terminate a family's assistance if:

- A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that would objectively result in intimidation may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that objectively communicate intent to abuse or commit violence.

Insufficient Funding [24 CFR 982.454]

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion, and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to approve a request for tenancy or to enter into a new HAP contract, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

PHA Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to stay as a guest in the assisted unit. The family may be required to present evidence of the former family member's current address upon PHA request.

Repayment of Family Debts

PHA Policy

If a family owes amounts to the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount or to enter into a repayment agreement within 30 calendar days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

If a family has breached the terms of a repayment agreement entered into with the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount of the debt within 30 calendar days of receiving notice from the PHA of the amount owed.

If the family fails to repay the full amount of the debt before the deadline specified in the notice, the PHA will terminate the family's assistance. See Chapter 16 for policies on non-payment of repayment agreements.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

PHA Policy

The PHA will only consider felony convictions as outlined in Chapter 12-I.D.

The PHA will not consider:

- Preponderance of the evidence
- Arrests
- Criminal charges
- Misdemeanor convictions

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

PHA Policy

The PHA will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents;
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act;
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in Section 12-II.E) a victim of domestic violence, dating violence, sexual assault, or stalking;
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future;
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully;
- The PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully; and
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

PHA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

This section describes the protections against termination of assistance that the Violence Against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see Section 16-IX of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault, or stalking. (*Note:* The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.)

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member 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 unit [24 CFR 982.354(b)(4)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or an affiliated individual of the tenant is the actual or threatened victim of the domestic violence, dating violence, sexual assault, or stalking [24 CFR 5.2005(c)(2)].

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

Limitations on VAWA Protections [24 CFR 5.2003, 24 CFR 5.2005(d)]

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault, or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(2)].

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault, or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance [24 CFR 5.2005(d)(3)].

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(3), 24 CFR 5.2003]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(4)].

PHA Policy

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

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

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

Documentation of Abuse [24 CFR 5.2007]

PHA Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault, or stalking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in Section 16-IX.D of this plan.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [3/16/07 *Federal Register* notice on the applicability of VAWA to HUD programs].

PHA Policy

The PHA will terminate assistance to a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to the PHA by the victim in accordance with this section and Section 16-IX.D. The PHA will also consider the factors in Section 12-II.D. Upon such consideration, the PHA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If the PHA does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

HUD regulations require PHAs to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family's HAP contract and lease will also terminate when the family's assistance terminates [form HUD-52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

PHA Policy

Whenever a family's assistance will be terminated, the PHA will send a written notice of termination to the family and to the owner. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in Section 16-III.C of this plan. VAWA 2013 expands notification requirements to require PHAs to provide notice of VAWA rights and the form HUD-5382 with any notification of termination of family's housing assistance.

PHA Policy

Whenever the PHA decides to terminate a family's assistance because of the family's action or failure to act, the PHA will include in its termination notice the VAWA information described in Section 16-IX.C of this plan and a form HUD-5382. The PHA will request in writing that a family member wishing to claim protection under VAWA notify the PHA within 10 business days.

Still other notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, the PHA must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in Section 12-I.C, the special notice requirements in Section 16-III.D must be followed.

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310, 24 CFR 5.2005(c), and Form HUD-52641-A, Tenancy Addendum]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking and the victim is protected from eviction by the Violence Against Women Act of 2013 (see Section 12-II.E). A serious lease violation includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*-meaning any member of the household, a guest, or another person under the tenant's control-commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
- Any criminal activity that 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;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see Section 12-II.E).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner may include:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

The above examples of other good cause in this paragraph do not preempt any State or local laws to the contrary.

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease and state law.

12-III.C. EVICTION [24 CFR 982.310(e) and (t) and Form HUD-52641-A, Tenancy Addendum]

The owner 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 at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to

the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

PHA Policy

The owner must provide the PHA with a copy of any termination notice served on the family. If owner obtains a Judgment of Restitution or enters into a Stipulated Order with the family to vacate the dwelling unit, the owner must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered move-out date.

12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault, or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See Section 12-II.E).

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.

PHA Policy

The family must comply with lease requirements regarding written notice to the owner.

The family must provide written notice to the PHA at the same time the owner is notified.

- The family must promptly give the PHA a copy of any owner eviction notice.

- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

PHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.

PHA Policy

The family must promptly notify the PHA in writing if any family member no longer lives in the unit or will be away from the unit for a period of 30 days or more.

- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- Members of the family may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit by members of the family.
- The family must not sublease the unit, assign the lease, or transfer the unit.

PHA Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose.
- The family must promptly notify the PHA when the family is absent from the unit.

PHA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].

- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

PHA Policy

Fraud is defined as an act or pattern of actions done with the intent to deceive or mislead in order to gain an advantage. The act or action can include a false statement, omission, or concealment of a substantive fact. The following do not qualify as fraud:

- An unintentional error
- An omission or misreporting due to misunderstanding.

See Chapter 14, Program Integrity for additional information.

- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

Additional Requirements for Participant Families (PHA Policy)

- The family must promptly report any changes in family size.
- The family must promptly report any income if no member of the family previously had countable income.
- All family members age 18 and over must attend all scheduled appointments and must bring all requested information to these appointments at the scheduled time.
- The family may not breach an agreement to repay the PHA for amounts owed. A breach of repayment agreement is defined in Chapter 16.
- No member of the family may engage in or threaten abusive or violent behavior toward any personnel of the PHA.

STAFF REPORTS

**Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 11/01/23 - 12/31/23**

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Subtotal			\$ -				0

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3242	0	Pioneer Waterproofing	\$ 2,581.00	Cement repair of wall and floor at Sellwood	Property Management	11/7/2023	2/24/2024
C3245	0	Water Solutions NW Inc.	\$ 7,680.00	Monthly chemical water treatment for heating/cooling system at NMW	IFS	11/8/2023	11/30/2025
C3248	0	Anderson Heating & Cooling	\$ 11,498.00	Replace AC and Furnace at Jean's Place	Asset Mgmt	11/16/2023	1/30/2024
C3249	0	Snugs Services	\$ 50,000.00	Snow/Ice Removal Services	Property Management	11/17/2023	11/15/2024
C3254	0	Shred-It	\$ 972.00	Document shredding at Dekum	Property Management	12/22/2023	11/30/2024
Subtotal			\$ 72,731.00				5

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3246	0	Chocolate Milk Diplomacy	\$ 9,200.00	Career Development Program	T&OD	11/13/2023	11/5/2024
C3244	0	Sasha Bartoo-Smith	\$ 5,000.00	Administrative Support for the Director of Equity	Executive	11/20/2023	5/31/2024
C3241	0	Robert Half International	\$ 66,000.00	Temp position: Desktop Support Analyst	IT	11/27/2023	5/31/2024

C3252	0	Melody Martinez Consulting LLC	\$ 31,815.00	Design and facilitate a series of Listening Sessions with prioritized stakeholders to inform policy development	Executive	11/27/2023	8/31/2024
C3260	0	Trash for Peace	\$ 31,350.00	Youth services at New Columbia	Community Services	12/11/2023	12/31/2024
C3257	0	Tactical Training Academy LLC	\$ 49,750.00	Safety assessments and trainings	IFS	12/12/2023	6/1/2024
C3263	0	Pegasus Moving & Cleaning	\$ 465,504.00	Housekeeping services for CHSP; Rule 46-0340	Community Services	12/18/2023	12/31/2024
C3258	0	Save First Financial Wellness	\$ 10,834.00	Financial Education and Credit Counseling for GOALS participants	Community Services	12/20/2023	12/31/2024
C3261	0	Meals on Wheels People	\$ 29,120.00	Provides 70 meals per week at BCC	Community Services	12/21/2023	12/31/2024
C3267	0	Trash for Peace	\$ 18,963.00	Youth engagement at Rockwood Station/Landing, Madrona, and Fairview Oaks/Woods	Community Services	12/21/2023	12/31/2024
C3272	0	Khalid el-Hakim Enterprises	\$ 3,500.00	The Black History 101 Mobile Museum's Music of the Movement Exhibit	Executive	12/26/2023	2/29/2024
Subtotal			\$ 721,036.00				11

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Total			\$ -				0

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2868	15	Walsh Construction Co.	\$ 11,178.93	Dekum CO #11	DCR	11/2/2023	9/30/2025
C3222	1	Raynor Painting	\$ 8,000.00	North Façade Painting at Fountain Place CO#1	DCR	11/2/2023	12/31/2023
C2868	14	Walsh Construction Co.	\$ 103,119.08	Dekum CO #10	DCR	11/3/2023	9/30/2025

C3177	1	Gans, Gans & Associates	\$ -	Recruitment for Chief Communications Officer; amended to add time	HR	11/3/2023	12/1/2023
C2547	4	PBS Engineering & Environmental, Inc.	\$ 52,500.00	Environmental services for Dekum Redevelopment Phase 2.	DCR	11/6/2023	6/30/2025
C3054	1	Elevator Consulting Services	\$ -	Project management for modernization at Hamilton West; amended to extend contract	Asset Mgmt	11/7/2023	12/31/2024
C3168	4	Buildskape	\$ 1,071.42	Tenant Improvement at Louisa Flowers CO #04	DCR	11/7/2023	12/31/2023
C3168	5	Buildskape	\$ 4,514.15	Tenant Improvement at Louisa Flowers CO #05	DCR	11/7/2023	12/31/2023
C2539	3	NW Enforcement	\$ 8,580.00	Security at Strong Properties; amended to extend contract	Asset Management	11/8/2023	6/30/2024
C3078	2	Forensic Building Consultants	\$ 4,000.00	Building Enclosure Rehabilitation consulting services for the Courtyard drain and waterproofing at BCC; amended to add time	DCR	11/8/2023	8/20/2024
C2716	2	Spectrum Enterprises Inc.	\$ 11,000.00	Move-In file audit for Group 7- Dahlke Manor, Fir Acres, Stark Manor and Eastwood Court; amended to extend contract	Property Management	11/13/2023	4/30/2026
C2856	1	Motus Recruiting & Staffing Inc.	\$ -	Temporary staffing for HR Admin; amended to add time	HR	11/13/2023	1/31/2024
C2931	1	Jones and Roth	\$ -	Audits for Baldwin PSH Limited Partnership; amended to add time	DCR	11/13/2023	3/31/2024
C3001	1	QEDLAB Qualified Envelope Diagnostics, Inc.	\$ -	Powell window and storefront testing; amended to add time	DCR	11/14/2023	1/30/2024
C2410	4	Amanda Morris	\$ 2,400.00	Foot care clinic at BCC; amended to extend contract	Community Services	11/15/2023	12/31/2024
C2976	11	Walsh Construction Co.	\$ 143,190.00	Grace Peck CO #06	DCR	11/15/2023	12/31/2024
C2735	1	Earth Advantage, Inc	\$ -	Provide Green Building professional services for Powell; amended to add time	DCR	11/17/2023	3/30/2024
C2230	5	AKS Engineering & Forestry, LLC	\$ -	Surveying services for Powell; amended to add time	DCR	11/20/2023	4/30/2023
C2852	1	Geotechnical Resources, Inc. (GRI)	\$ -	Geotechnical construction administrative services for Powell; amended to add time	DCR	11/20/2023	3/30/2024
C3218	1	Village Resiliency Project	\$ 15,000.00	Trauma Workshop; amended to update scope	T&OD	11/20/2023	12/31/2024
C2271	11	Colas Construction	\$ 777,967.86	Powell CO #11	DCR	11/21/2023	4/30/2024
C2606	2	Pegasus Moving & Cleaning	\$ 25,000.00	Packing and moving services for relocation; amended to extend contract and add funds	DCR	11/21/2023	12/31/2024
C2607	3	Lile Moving & Storage	\$ 25,000.00	Packing and moving services for relocation; amended to add funds and extend contract	DCR	11/27/2023	12/31/2024
C3114	1	Walsh Construction Co.	\$ -	BCC repair upper courtyard storm water area drain; amended to add time	DCR	11/27/2023	9/29/2024

C2922	1	Great Northwest Environmental	\$ -	Site observation and air monitoring during the building demolition of Dekum Court Redevelopment; amended to add time	DCR	11/29/2023	1/30/2024
C2962	1	Portland Tree Consulting	\$ -	Create a tree protection plan for a construction permit at Dekum Court Redevelopment project for Walsh Construction. Some site observations and close out report may be required under this contract; amended to add time	DCR	11/30/2023	5/21/2025
C2965	3	LMC, Inc.	\$ 70,000.00	Pre-Construction Services for Peaceful Villa; amended to add additional services	DCR	12/13/2023	7/31/2024
C2662	3	Trash for Peace	\$ 7,416.00	Resident support and services for Clackamas County; amended to extend contract	Community Services	12/21/2023	12/31/2024
C3094	2	Trash for Peace	\$ 19,474.00	Youth services coordination at property grouping GGMS; amended to extend contract	Community Services	12/21/2023	12/31/2024
C3235	2	Alpha Environmental Services	\$ 4,700.00	Excavate and replace sewer line at Clark Center; amended to add scope	Asset Mgmt	12/26/2023	1/20/2024
Subtotal			\$ 1,294,111.44				30

OTHER AGREEMENTS (Revenue contracts, 3rd Party contracts, MOU's, IGA's)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Subtotal			\$ -				0
Total			\$ 2,087,878.44				46

**Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
6-Month Look Ahead - January 2024**

Estimated Contract Amount	Description	Dept.	Solicitation Period
TBD	Civic Station Housing A&E	DCR	In progress
TBD	Civic Station Housing CM/GC	DCR	In progress
TBD	Broadway Corridor A&E	DCR	In progress
TBD	Broadway Corridor CM/GC	DCR	In progress
\$6 million	Sequoia Square Building Enclosure Rehab	DCR	Oct 2023
\$200k	Event Planning	DCR	Jan 2024
TBD	On-call Painting Services	IFS	Jan 2024
TBD	STRA	Homeless Initiatives	Jan 2024
\$1.650 million	A&E for N. Maryland	DCR	2024
\$13.2 million	CM/GC for N. Maryland	DCR	2024
\$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD
\$2.17 million	Design and construction services for Sequoia	DCR	TBD
\$910k	Design and construction services for Schiller Way	DCR	TBD