



FY 2024-2025
ADMINISTRATIVE
PLAN



A COMMUNITY OF POSSIBILITIES

Administrative Plan
For The
Housing Choice Voucher Program

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A COMMUNITY OF POSSIBILITIES

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

CHAPTER 1

OVERVIEW OF THE PROGRAM AND PLAN

Chapter 1: Overview of the Program and Plan

Opportunity Home San Antonio (Opportunity Home) receives its operating subsidy for the Housing Choice Voucher (HCV) Program from the Department of Housing and Urban Development (HUD). Opportunity Home is not a federal department or agency. Opportunity Home is a public housing agency (PHA), is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. Opportunity Home enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. Opportunity Home must ensure compliance with federal laws, regulations and notices and must establish policies and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about Opportunity Home and its programs with emphasis on the HCV program. It also contains information about the purpose, intent and use of the plan and guide.

There are four parts to this chapter:

PART 1: Opportunity Home

This part includes a description of Opportunity Home, its jurisdiction, its programs, and its mission and intent.

PART 2: The Housing Choice Voucher (HCV) Program

This part contains information about the Housing Choice Voucher (HCV) program operation, roles and responsibilities, and partnerships.

PART 3: The HCV Administrative Plan

This part discusses the purpose and organization of the plan and its revision requirements.

PART 4: The Moving to Work Plan

This part discusses the authorizations and obligations of Opportunity Home under its Moving to Work agreement with HUD.

1.1 Opportunity Home

This part explains the origin of Opportunity Home’s creation and authorization, the general structure of the organization, and the relationship between Opportunity Home’s Board and staff.

1.1.A Organization and Structure of Opportunity Home

- (1) The Section 8 tenant-based Housing Choice Voucher (HCV) assistance program is funded by the federal government and administered by Opportunity Home for the jurisdiction of the City of San Antonio and other communities in and around the County of Bexar.
- (2) The officials of Opportunity Home are known as commissioners or, collectively, as the Board of Commissioners. Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation, establishing policies under which Opportunity Home conducts business, ensuring that policies are followed by Opportunity Home staff and ensuring that Opportunity Home is successful in its mission. The board is responsible for preserving and expanding the agency’s resources and ensuring the agency’s continued viability.
- (3) Formal actions of Opportunity Home are taken through written resolutions, adopted by the Board of Commissioners and entered into Opportunity Home’s official records.
- (4) The principal staff member of Opportunity Home is the President & Chief Executive Officer (CEO), hired and appointed by the board of Commissioners. The President & CEO is directly responsible for carrying out the policies established by the commissioners and is delegated the responsibility for hiring, training and supervising the remainder of Opportunity Home’s staff in order to manage the day-to-day operations to ensure compliance with federal and state laws and directives for the programs managed. In addition, the President & CEO’s duties include budgeting and financial planning for the agency.

1.1.B Opportunity Home’s Mission

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions.

- (1) Opportunity Home’s mission is to provide safe, decent and sanitary housing conditions for very low-income families and to manage resources efficiently. Opportunity Home’s goal is to promote personal, economic and social upward mobility to provide families the opportunity to make the transition from subsidized to unsubsidized housing.
- (2) Opportunity Home’s mission statement is as follows: *Improve the lives of our residents by providing quality affordable housing and building sustainable, thriving communities.*

1.1.C Opportunity Home’s Programs

The following programs are included under this administrative plan:

- (1) Housing Choice Voucher (HCV) Program
 - (a) Set Aside Tenant Based Voucher Programs: A predetermined number of tenant-based vouchers are designated for referrals.
 - (i) Set Aside Homeless Voucher Program (SHVP)
 - (ii) Homeless Services Voucher (HSV) Program
 - (iii) The College and University Homeless Assistance Programs
 - (iv) Move On Program
 - (v) Non-Elderly Disabled Voucher Program (NED)
- (2) Project Based Voucher (PBV) Program
 - (a) Set Aside Project Based Voucher Programs: A predetermined number of project-based vouchers are designated for referrals.
 - (i) Family Homeless Program
 - (ii) THRU Project
 - (iii) Time-Limited Workforce Pilot Program
 - (iv) Veterans Affairs Supportive Housing (VASH) PBV Program
- (3) Special Programs:
 - (a) 5-Year Mainstream Program (for persons with disabilities)
 - (b) Moderate-Rehabilitation (MOD) Program
 - (c) Veterans Affairs Supportive Housing (VASH) Program
 - (d) Emergency Housing Voucher (EHV) Program
 - (e) Foster Youth to Independence (FYI) Voucher Program

1.1.D Opportunity Home's Commitment to Ethics and Service

- (1) As a public service agency, Opportunity Home is committed to providing excellent service to HCV program participants – families and owners – in the community. In order to provide superior service, Opportunity Home resolves to:
 - (a) Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
 - (b) Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low income families while ensuring that family rents are fair, reasonable, and affordable.
 - (c) Encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
 - (d) Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
 - (e) Promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
 - (f) Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
 - (g) Create positive public awareness and expand the level of family, owner, and community support in accomplishing Opportunity Home's mission.
 - (h) Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
 - (i) Administer an efficient, high-performing agency through continuous improvement of Opportunity Home's support systems and commitment to our employees and their development.
- (2) Opportunity Home will make every effort to keep program participants informed of HCV program rules and regulations, and to advise participants of how the program rules affect them.

1.2 The Housing Choice Voucher (HCV) Program

1.2.A Overview and History of the Program

The intent of this section is to provide the public and staff with information related to the overall operation of the program. There have been many changes to the program since its inception in 1974 and a brief history of the program will assist the audience in understanding the program.

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for low-income residents.

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical standards of quality (“housing quality standards”) and was within certain HUD-established rent limitations (“fair market rents”), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at 30 percent of the family’s adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

The Housing and Community Development (HCD) Act of 1987 authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of 30 percent of adjusted income. Consequently,

depending on the actual rental cost of the unit selected, a family might pay more or less than 30 percent of their adjusted income for rent.

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act – was signed into law. QHWRA eliminated all statutory differences between the Certificate and Voucher tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

1.2.B HCV Program Basics

The purpose of the HCV program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by the U.S. Department of Housing and Urban Development. Opportunity Home is afforded choices in the operation of the program which are included in Opportunity Home’s Administrative Plan, a document approved by Opportunity Home’s Board of Commissioners.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in Opportunity Home’s jurisdiction and may also be eligible to move under portability to other PHAs’ jurisdictions.

When a family is determined to be eligible for the program and funding is available, Opportunity Home issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, Opportunity Home will enter into a contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Even though the family is determined to be eligible for the program, the owner has the responsibility of approving the family as a suitable renter. Opportunity Home continues to make payments to the owner as long as the family is eligible and the housing unit continues to qualify under the program.

1.2.C The HCV Partnerships

To administer the HCV program, Opportunity Home enters into a contractual relationship with HUD. Opportunity Home also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved – HUD, Opportunity Home, the owner, and the family – have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents that parties execute to participate in the program.

Figure 1.1 on the following page illustrates key aspects of these relationships.

(1) **What does HUD do?**

HUD has the following major responsibilities:

- (a) Developing regulations, requirements, handbooks, notices and other guidance to implement HCV housing program legislation passed by Congress;
- (b) Allocating HCV program funds to Opportunity Home;
- (c) Providing technical assistance to Opportunity Home on interpreting and applying HCV program requirements;
- (d) Monitoring Opportunity Home's compliance with HCV program requirements and Opportunity Home's performance in program administration.

(2) **What does Opportunity Home do?**

Opportunity Home administers the HCV program under contract with HUD and has the following major responsibilities:

- (a) Establishing local policies;
- (b) Reviewing applications from interested applicant families to determine whether applicants are eligible for the program;
- (c) Maintaining waiting list and select families for admission;
- (d) Issuing voucher to selected family and, if necessary, assist the family in finding a place to live;
- (e) Conducting outreach to owners, with special attention to owners outside areas of poverty or minority concentration;
- (f) Approving the rental unit (including ensuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy;
- (g) Making housing assistance payments to the owner in a timely manner;
- (h) Ensuring that families and their rental units continue to qualify under the program;

- (i) Ensuring that owners and families comply with program rules;
- (j) Providing families and owners with prompt, professional service;
- (k) Complying with all fair housing and equal opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, Opportunity Home's Administrative Plan, and other applicable federal, state and local laws.

(3) What does the Owner do?

The owner has the following major responsibilities:

- (a) Screening families who apply for tenancy, to determine if they will be good renters;
 - (i) Opportunity Home can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
 - (ii) The owner should consider family background factors such as rent and bill-paying history, history of caring for property, respecting the rights of others to peaceful enjoyment of the property, compliance with essential conditions of tenancy, whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- (b) Complying with the terms of the Housing Assistance Payments contract, executed with Opportunity Home;
- (c) Complying with all applicable fair housing laws and discriminate against no one;
- (d) Maintaining the housing unit by making necessary repairs in a timely manner;
- (e) Collecting rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

(4) What does the Family do?

The family has the following major responsibilities:

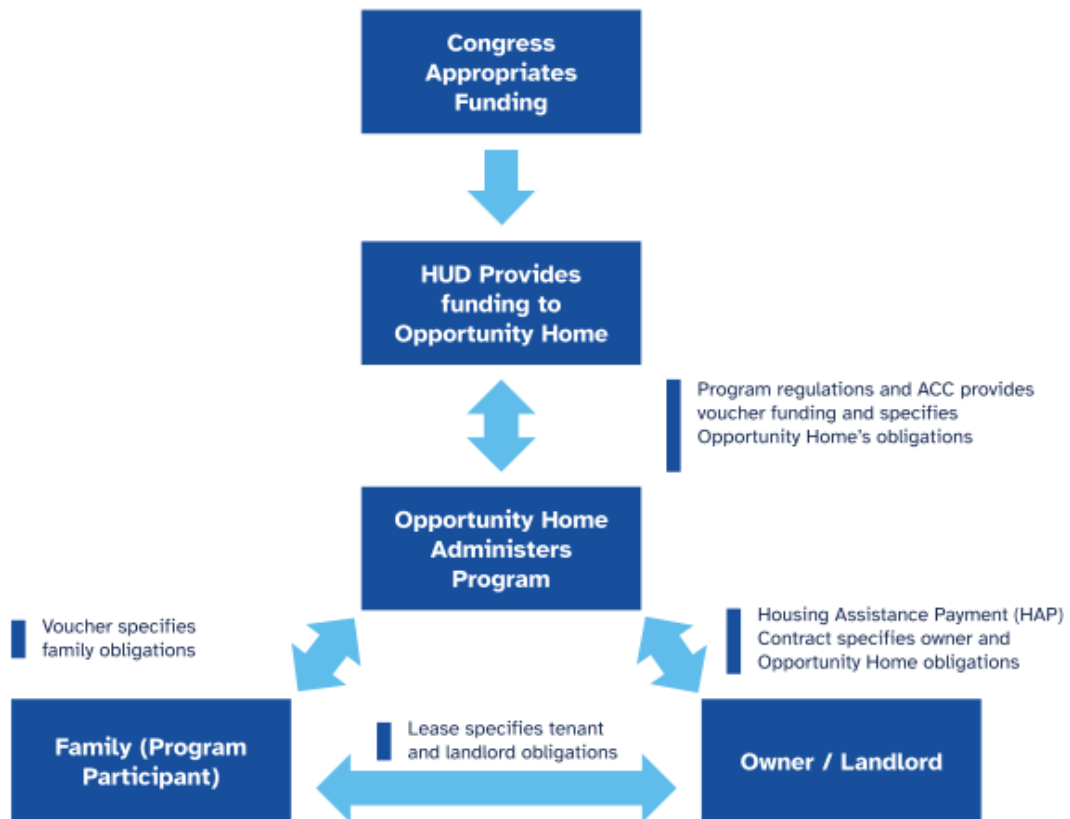
- (a) Providing Opportunity Home with complete and accurate information, determined by Opportunity Home to be necessary for administration of the program;
- (b) Making their best and most timely efforts to find a place to live that is suitable for them and that qualifies for the program;
- (c) Attending all appointments scheduled by Opportunity Home;
- (d) Allowing Opportunity Home to inspect the unit at reasonable times and after reasonable notice;

CHAPTER 1: OVERVIEW OF THE PROGRAM AND PLAN

- (e) Taking responsibility for care of the housing unit, including any violations of housing quality standards caused by the family;
- (f) Complying with the terms of the lease with the owner;
- (g) Complying with the family obligations of the voucher;
- (h) Not committing serious or repeated violations of the lease;
- (i) Not engaging in drug-related or violent criminal activity;
- (j) Notifying Opportunity Home and the owner before moving or terminating the lease;
- (k) Using the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any interest in the unit;
- (l) Promptly notifying Opportunity Home of any changes in family composition;
- (m) Not committing fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

If all parties fulfill their obligations in a professional and timely manner, the program responsibilities will be fulfilled in an effective manner.

Figure 1.1 The HCV Relationships



1.2.D Applicable Regulations

Applicable regulations include:

- (1) 24 CFR Part 5: General Program Requirements
- (2) 24 CFR Part 8: Nondiscrimination
- (3) 24 CFR Part 35: Lead-Based Paint
- (4) 24 CFR Part 100: The Fair Housing Act
- (5) 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- (6) 24 CFR Part 983: Project-Based Vouchers
- (7) 24 CFR Part 985: The Section 8 Management Assessment Program (SEMAP)

1.3 The HCV Administrative Plan

1.3.A Overview and Purpose of the Plan

- (1) The Administrative Plan is required by HUD. The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in Opportunity Home's agency plan. This Administrative Plan is a supporting document to Opportunity Home's agency plan, and is available for public review as required by CFR 24 Part 903.
- (2) This Administrative Plan is set forth to define Opportunity Home's local policies for operation of the housing programs in the context of federal laws and regulations. All issues related to Section 8 not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices and other applicable law. The policies in this administrative plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.
- (3) Opportunity Home is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this plan, HUD regulations will have precedence.
- (4) Administration of the HCV program and the functions and responsibilities of Opportunity Home staff shall be in compliance with Opportunity Home's personnel policy and HUD's Section 8 regulations as well as all federal, state and local fair housing laws and regulations.

1.3.B Contents of the Policy

- (1) HUD regulations contain a list of what must be included in the administrative plan. Opportunity Home's Administrative Plan must cover Opportunity Home's policies on these subjects:
 - (a) Selection and admission of applicants from Opportunity Home's waiting list, including any admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the waiting list (Chapter 4);
 - (b) Issuing or denying vouchers, including Opportunity Home's policy governing the voucher term and any extensions of the voucher term. If Opportunity Home decides to allow extensions of the voucher term, Opportunity Home's Administrative Plan must describe how Opportunity Home determines whether to grant extensions, and how Opportunity Home determines the length of any extension (Chapter 5);
 - (c) Any special rules for use of available funds when HUD provides funding to Opportunity Home for a special purpose (e.g., desegregation),

- including funding for specific families or a specified category of families (Chapter 4);
- (d) Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 3 and 12);
 - (e) Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 13);
 - (f) Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
 - (g) Providing information about a family to prospective owners (Chapters 3 and 9);
 - (h) Disapproval of owners (Chapter 13);
 - (i) Subsidy standards (Chapter 5);
 - (j) Family absence from the dwelling unit (Chapter 12);
 - (k) How to determine who remains in the program if a family breaks up (Chapter 3);
 - (l) Informal review procedures for applicants (Chapter 16);
 - (m) Informal hearing procedures for participants (Chapter 16);
 - (n) The process for establishing and revising voucher payment standards, including policies on administering decreases in the payment standard during the HAP contract term (Chapter 16);
 - (o) The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 8);
 - (p) Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 15);
 - (q) Policies concerning payment by a family to Opportunity Home of amounts the family owes to Opportunity Home (Chapter 16);
 - (r) Interim redeterminations of family income and composition (Chapter 11);
 - (s) Restrictions, if any, on the number of moves by a participant family (Chapter 10);
 - (t) Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 16);
 - (u) Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 8); and

- (v) Opportunity Home’s screening of applicants for family behavior or suitability for tenancy (Chapter 3).
- (2) **Mandatory vs. Discretionary Policy**
 - (a) HUD makes a distinction between:
 - (i) Mandatory policies: those driven by legislation, regulations, current handbooks, notices and legal opinions, and
 - (ii) Optional, non-binding guidance: guidebooks, notices that have expired and recommendations from individual HUD staff.
 - (b) HUD expects Opportunity Home to develop policies and procedures that are consistent with mandatory policies and to make clear the optional policies Opportunity Home has adopted. Opportunity Home’s Administrative Plan is the foundation of those policies and procedures. HUD’s directions require Opportunity Home to make policy choices that provide guidance to staff and consistency to program applicants and participants.
 - (c) Following HUD guidance, even though it is not mandatory, provides Opportunity Home with a “safe harbor.” HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If Opportunity Home adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD’s safe harbor, but Opportunity Home should carefully think through those decisions.

1.3.C Organization of the Plan

- (1) The Plan is organized to provide information to users in particular areas of operation.
- (2) Opportunity Home policies are provided in blue text boxes.
- (3) Opportunity Home’s Moving to Work policies (see Section 1.4) are provided in gray text boxes.

1.3.D Updating and Revising the Plan

- (1) Opportunity Home will revise this administrative plan as needed to comply with changes in HUD regulations. The original plan and any changes that Opportunity Home considers a substantial deviation or significant amendment or modification must be approved by Opportunity Home’s Board

of Commissioners, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

- (a) Opportunity Home considers a “substantial deviation” or “significant amendment or modification” as a discretionary change in the plan or policy of Opportunity Home that fundamentally alters the mission, goals, objectives or plans of the agency and which will require the formal approval of the Board of Commissioners.
 - (b) Specifically, the following will be considered to constitute a substantial deviation or significant amendment or modification:
 - (i) A material change in the policies regarding the manner in which tenant rent is calculated.
 - (ii) A material change in the admissions policies with respect to the selection of applicants from or organization of the waiting list.
 - (iii) Any change in regard to demolition or disposition, designation of homeownership program or conversion activities not previously identified in the agency plan.
 - (c) An exception to this definition will be made only to the extent that the modification is the result of changes in HUD regulatory requirement; such changes will not be considered a substantial deviation or significant amendment or modification to either the five-year or annual plans.
- (2) Opportunity Home will review and update the plan at least once a year and more often, if needed, to reflect changes in regulations, Opportunity Home operations, or when needed to ensure staff consistency in operations.

1.3.E Effective Dates

- (1) The policies in this administrative plan are effective for all Opportunity Home Housing Choice Voucher (HCV) operations beginning July 1, 2023, until this plan is superseded.
- (2) The policies in this plan do not apply to any advance actions taken by Opportunity Home prior to July 1, 2023, including the advance issuance of documents dated July 1, 2023 or beyond.

1.4 Moving to Work Plan

1.4.A Overview

- (1) Opportunity Home is a Moving to Work (MTW) demonstration site. MTW is a demonstration program for public housing authorities that provides them the opportunity to design and test innovative, locally-designed strategies that
 - (a) Use Federal dollars more efficiently,
 - (b) Help residents find employment and become self-sufficient, or
 - (c) Increase housing choices for low-income families.
- (2) MTW gives Opportunity Home exemptions from many existing HCV regulatory rules and more flexibility with how the agency uses its Federal funds.
- (3) As an Opportunity Home demonstration site, Opportunity Home is expected to use the opportunities presented by MTW to inform HUD about ways to better address local community needs.

1.4.B Moving to Work Agreement and Activities

- (1) Opportunity Home's MTW authorizations and administrative responsibilities are provided in the Amended and Restated Moving to Work Agreement entered into on June 25, 2009, by and between the HUD and Opportunity Home. Pursuant to the Agreement, Opportunity Home will include any new MTW initiatives in an Annual MTW Plan and have the Plan approved by HUD prior to implementation. Opportunity Home will also prepare Annual MTW Reports, which will compare the performance of Opportunity Home's activities with its Annual MTW Plan.
- (2) Opportunity Home's implemented MTW activities are incorporated in each applicable section of this Administrative Plan. A complete list of MTW activities is provided in Exhibit 1-1.
- (3) The MTW activities apply only to certain assisted housing programs administered by Opportunity Home. All non-MTW programs are subject to normal program rules and regulations.
 - (a) The following programs are subject to Opportunity Home's MTW policies:
 - (i) HCV Program
 - (ii) Set Aside Homeless Voucher Program (SHVP)
 - (iii) Homeless Services Voucher (HSV) Program
 - (iv) 5-Year Mainstream Program (for persons with disabilities)

- (v) Veterans Affairs Supportive Housing (VASH) Program
- (vi) Family Homeless Program
- (vii) The College and University Homeless Assistance Programs
- (viii) Move On Program
- (ix) Youth Aging Out of Foster Care / THRU Project
- (x) Non-Elderly Disabled Voucher Program (NED)
- (xi) Emergency Housing Voucher Program (EHV)
- (xii) Foster Youth to Independence (FYI) Voucher Program
- (b) Opportunity Home's non-MTW programs include:
 - (ii) Moderate-Rehabilitation (MOD) Program

Exhibit 1-1: HUD-Approved Opportunity Home MTW Activities

The following is a list of Opportunity Home’s MTW activities that have been approved by HUD:

Activity	Title	Description
FY 2011-9	Allocate tenant-based voucher set-asides for households referred by non-profit sponsors who provide supportive services	Set-aside vouchers are for households with specific priority needs. Current Partners are The Center for Health Care Services and San Antonio Metropolitan Ministries.
FY 2013-4	HQS Inspection of Opportunity Home-owned non-profits by Opportunity Home Inspectors	Opportunity Home inspectors inspect and perform rent reasonableness assessments of Opportunity Home-owned non-profits and related entities.
FY2014-3	Faster Implementation of Payment Standard Decreases	When Fair Market Rents decrease and payment standards decrease accordingly, Opportunity Home applies the lower payment standard at each participant’s next reexamination (move, interim, or annual), or as predicated on business need.
FY2014-6	Rent Simplification	Rent calculation is based on 27.5 percent of the participant’s monthly gross income and does not include deductions; hardship accommodations granted for normal rent calculation.
FY 2015-1	MDRC/HUD Rent Study	Randomly-selected participants will participate in a study commissioned by HUD. The Control Group will be managed using existing policies, while the Study Group will have 28 percent of their monthly gross income, elimination of deductions and allowances, and past 12-months income used to calculate the Total Tenant Payment (TTP).
FY 2015-3	Modified Project-Based Vouchers	Includes elements of former activities FY 2011-6, -7, and -8; allows Opportunity Home to commit PBVs to developments in Opportunity Home’s affordable mixed-income housing portfolio
FY 2015-4	Simplified Utility Allowance Schedule	Establishes a new, simplified Utility Allowance schedule based on analysis of the HCV portfolio including the most common structure and utility types.
FY 2019-1	Local Small Area Fair Market Rent (SAFMR) Implementation	This activity is a local implementation of HUD’s Small Area Fair Market Rents (SAFMR).
FY 2019-2	Alternate Recertification Process (PH and HCV)	Establishes triennial schedules for reexaminations for the low income public housing and housing choice voucher programs. For the HCV program, Opportunity Home will apply the increased payment standards at each approved request for rental increase.

CHAPTER 1: OVERVIEW OF THE PROGRAM AND PLAN

FY 2020-1	College & University Homeless Assistance Programs	The College & University Homeless Assistance Programs are a set-aside voucher program for homeless students attending either Palo Alto College or St. Philip’s College.
FY 2020-3	Family Self Sufficiency (FSS) Program Streamlining	This activity is designed to achieve the MTW statutory objective to reduce cost and achieve greater cost effectiveness in Federal expenditures, by creating administrative efficiencies in the Family Self-Sufficiency Program.
FY 2021-1	Next Step Housing Program (THRU Project)	Housing assistance provided by Opportunity Home intended to allocate vouchers to youth aging out of foster care who are at risk of homelessness. These vouchers provide youth with the ability to lease decent, safe, affordable housing in the private housing market.
FY 2021-2	Limiting Increases in Rents	Limits voucher contract rent increases to no more than one rental increase per calendar year in order to prevent terminations or evictions, and maintain a constant and predictable tenant rent.
FY 2022-1	SAHA Partnerships Providing Basic Needs for Residents Through Income Exclusions	This activity establishes an alternative policy that excludes contributions in the household’s annual income calculation.
FY 2024-1	Elimination of Earned Income Disregard	This activity replaces FY 2013-2, Simplified Earned Income Disregard (S-EID) for the HCV and PH programs.

***Subject to change as determined by MTW Plan revision and HUD approval**



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 2

FAIR HOUSING AND EQUAL OPPORTUNITY

Chapter 2: Fair Housing and Equal Opportunity

This chapter explains the laws and HUD regulations requiring Opportunity Home to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and procedures. The responsibility to further nondiscrimination pertains to all areas of Opportunity Home's Housing Choice Voucher (HCV) operations.

This chapter describes HUD regulations and Opportunity Home policies related to these topics in three parts:

PART 1: Nondiscrimination

This part presents the body of laws and regulations governing Opportunity Home's responsibilities regarding nondiscrimination.

PART 2: Policies Related to Persons with Disabilities

This part discusses the rules and policies of the housing choice voucher program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

PART 3: Prohibition of Discrimination Against Limited English Proficiency Persons

This part details Opportunity Home's obligations to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007, in the Federal Register.

2.1 Nondiscrimination

2.1.A Overview

- (1) Federal law requires Opportunity Home to treat all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background.
- (2) Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability.
- (3) HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. Opportunity Home will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:
 - (a) Title VI of the Civil Rights Act of 1964;
 - (b) Title VII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988);
 - (c) Executive Order 11063;
 - (d) Section 504 of the Rehabilitation Act of 1973;
 - (e) The Age Discrimination Act of 1975;
 - (f) Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern);
 - (g) Violence Against Women Reauthorization Act of 2005 (VAWA); and
 - (h) The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012.

2.1.B Nondiscrimination

- (1) Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as DSJS policies, can prohibit discrimination against additional classes of people.
- (2) Opportunity Home shall not discriminate because of:
 - (a) race;
 - (b) color;
 - (c) sex;
 - (d) religion;

- (e) familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18);
- (f) age;
- (g) disability;
- (h) national origin;
- (i) marital status;
- (j) gender identity; or
- (k) sexual orientation.

(3) Opportunity Home will not discriminate on the basis of veteran status.

(4) Opportunity Home will not use any of these factors to:

- (a) Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program;
- (b) Provide housing that is different from that provided to others;
- (c) Subject anyone to segregation or disparate treatment;
- (d) Subject anyone to sexual harassment;
- (e) Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
- (f) Treat a person differently in determining eligibility or other requirements for admission;
- (g) Steer an applicant or tenant toward or away from a particular area based on any of these factors;
- (h) Deny anyone access to the same level of services;
- (i) Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program;
- (j) Discriminate in the provision of residential real estate transactions;
- (k) Discriminate against someone because they are related to or associated with a member of a protected class; or
- (l) Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

(5) **Providing Information to Families and Owners**

- (a) Opportunity Home must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, Opportunity Home must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301].
- (b) The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

2.1.C Discrimination Complaints

(1) **General Housing Discrimination Complaints**

- (a) If an applicant or tenant family believes that any family member has been discriminated against by Opportunity Home, the family should advise Opportunity Home.
- (b) Opportunity Home should make every reasonable attempt to determine whether the applicant or tenant family's assertions have merit and take any warranted corrective action.
- (c) In addition, Opportunity Home is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].
- (d) Opportunity Home will attempt to remedy all discrimination complaints made against Opportunity Home.
- (e) Applicants or participants who believe that they have been subject to unlawful discrimination may notify Opportunity Home either verbally or in writing.
- (f) Within 10 business days of receiving the complaint, Opportunity Home will investigate and attempt to remedy discrimination complaints made against Opportunity Home. Opportunity Home will also advise the family of their right to file a fair housing complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). The fair housing poster, posted in conspicuous and accessible locations in Opportunity Home lobbies, will reference how to file a complaint with FHEO.
- (g) Opportunity Home will keep a record of all complaints, investigations, notices, and corrective actions.

2.1.D Complaints Under the Equal Access Final Rule [Notice PIH 2014-20]

(1) Notice PIH 2014-20 requires an articulated complaint process for allegations of discrimination under the Equal Access Final rule. The Equal Access Final Rule requires that Opportunity Home provides equal access regardless of marital status, gender identity, or sexual orientation. Opportunity Home will be informed of these obligations by the HUD Field Office or FHEO when an Equal Access complaint investigation begins.

- (a) Applicants or tenant families who believe that they have been subject to unlawful discrimination based on marital status, gender identity, or sexual orientation under the Equal Access Rule may notify Opportunity Home either orally or in writing.
- (b) Within 10 business days of receiving the complaint, Opportunity Home will provide a written notice to those alleged to have violated the rule. Opportunity Home will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).
- (c) Opportunity Home will attempt to remedy discrimination complaints made against Opportunity Home and will conduct an investigation into all allegations of discrimination.
- (d) Within 10 business days following the conclusion of Opportunity Home's investigation, Opportunity Home will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.
- (e) Opportunity Home will keep a record of all complaints, investigations, notices, and corrective actions (See Chapter 16).

2.1.E VAWA Complaint Processing [Notice FHEO 2023-01]

(1) A complainant may, not later than one year after an alleged VAWA violation has occurred or terminated, file a complaint with FHEO alleging such violation. If there is a violation that began prior to a year before the complaint is filed, but it continues into the one-year time period, HUD will accept the complaint. FHEO will investigate the complaint if it is timely and FHEO otherwise has jurisdiction. If a complaint is filed more than one year after the alleged violation occurred or terminated, FHEO may, but is not required to, investigate the allegations under the additional authority and procedures described in FHEO 2023-01.

(2) Complaints do not need to allege a violation of the Fair Housing Act for FHEO to accept and investigate the complaint.

- (a) Applicants or tenant families who wish to file a VAWA complaint against Opportunity Home may notify Opportunity Home either orally or in writing.
- (b) Opportunity Home will advise the family of their right to file a VAWA complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). Opportunity Home will inform the family that, no later than one year after an alleged VAWA violation has occurred or terminated, applicants and tenants who believe they have been injured by a VAWA violation or will be injured by such a violation that is about to occur may file a VAWA complaint using FHEO's online complaint form via mail, email, or telephone.
- (c) Opportunity Home will attempt to remedy complaints made against Opportunity Home and will conduct an investigation into all allegations of discrimination.
- (d) Within 10 business days following the conclusion of Opportunity Home's investigation, Opportunity Home will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.
- (e) Opportunity Home will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

2.2 Policies Related to Persons with Disabilities

2.2.A Overview

- (1) One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.
- (2) Opportunity Home must ensure that persons with disabilities have full access to Opportunity Home’s programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the HCV program.
 - (a) Opportunity Home will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by Opportunity Home, by including the following language:
 - (i) “Any individual with a disability or other medical need who requires an accommodation should contact Opportunity Home at (210) 477-6000.”

2.2.B Definition of Reasonable Accommodation

- (1) A “reasonable accommodation” is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to the HCV program.
- (2) Reasonable accommodations may include making home visits, extending the voucher term, or approving an exception standard in order for a participant to lease an accessible dwelling unit.
- (3) Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an “undue financial and administrative burden” for Opportunity Home, or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.
- (4) **Types of Reasonable Accommodation**

When needed, Opportunity Home must modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

 - (a) Permitting applications and reexaminations to be completed by mail
 - (b) Providing “large-print” forms

- (c) Conducting home visits
- (d) Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- (e) Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- (f) Installing a ramp into a dwelling or building
- (g) Installing grab bars in a bathroom
- (h) Installing visual fire alarms for hearing impaired persons
- (j) Allowing an Opportunity Home-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit.
- (k) Providing a designated handicapped-accessible parking space
- (l) Allowing an assistance animal
- (m) Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- (n) Displaying posters and other housing information in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair

2.2.C Request for an Accommodation

- (1) If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that Opportunity Home treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- (2) The family must explain what type of accommodation is needed to provide the person with the disability full access to Opportunity Home's programs and services.
- (3) If the need for the accommodation is not readily apparent or known to Opportunity Home, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

- (4) Opportunity Home will encourage the family to make its request in writing using a reasonable accommodation request form. However, Opportunity Home will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2.2.D Verification of Disability

- (1) The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list Preferences and income allowances. The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter.
- (2) Before providing an accommodation, Opportunity Home must determine that:
 - (a) the person meets the definition of a person with a disability, and
 - (b) the accommodation will enhance the family's access to Opportunity Home's programs and services.
- (3) If a person's disability is obvious or otherwise known to Opportunity Home, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- (4) If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to Opportunity Home, Opportunity Home must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.
- (5) When verifying a disability, Opportunity Home will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:
 - (a) Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. According to the Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, the following entities may provide verification of a disability:
 - (i) A doctor or other medical professional,
 - (ii) A peer support group,

- (iii) A non-medical service agency, or
 - (iv) A reliable third party who is in a position to know about the individual's disability.
- (b) Opportunity Home must request only information that is necessary to evaluate the disability-related need for the accommodation. Opportunity Home will not inquire about the nature or extent of any disability.
 - (c) Medical records will not be accepted or retained in the participant file.
 - (d) In the event that Opportunity Home does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, Opportunity Home will dispose of it. In place of the information, Opportunity Home will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

2.2.E Approval/Denial of a Requested Accommodation [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations Under the Fair Housing Act, Notice PIH 2010-26]

- (1) Opportunity Home must approve a request for an accommodation if the following three conditions are met:
 - (a) The request was made by or on behalf of a person with a disability.
 - (b) There is a disability-related need for the accommodation.
 - (c) The requested accommodation is reasonable, meaning it would not impose:
 - (i) An undue financial and administrative burden on Opportunity Home, or
 - (ii) Fundamentally alter the nature of Opportunity Home's HCV operations (including the obligation to comply with HUD requirements and regulations).
- (2) Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as:
 - (a) The overall size of Opportunity Home's program with respect to the number of employees,
 - (b) Type of facilities and size of budget, type of operation including composition and structure of workforce,

- (c) The nature and cost of the requested accommodation, and
- (d) The availability of alternative accommodations that would effectively meet the family's disability-related needs.

- (3) After a request for an accommodation is presented, Opportunity Home will respond in writing within 10 business days.
- (4) If Opportunity Home denies a request for an accommodation because it is not reasonable, Opportunity Home will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.
- (5) If Opportunity Home believes that the family has failed to identify a reasonable alternative accommodation after the negotiation, Opportunity Home will notify the family, in writing, of its determination within 10 business days from the date of the most recent discussion or communication with the family.

2.2.F Re-Verifying the Need for Reasonable Accommodations

- (1) Once the need for a reasonable accommodation has been verified, the need does not have to re-verified except:
 - (a) At the time a family moves, or
 - (b) When there is another change in circumstances, such as when:
 - (i) A live-in aide leaves the household,
 - (ii) A disabled person leaves the household,
 - (iii) A family member listed as disabled can no longer verify they are disabled,
 - (iv) At inspection no medical equipment is observed in an additional room granted as an accommodation to store or use the equipment,
 - (v) The health care or service provider approving a need for a live-in aide or other reasonable accommodation has indicated that the need or the disability will be of short duration,
 - (vi) The family member loses their disabled status, for example when a person on State disability returns to work.

- (2) If a person's disability is obvious or otherwise known to Opportunity Home, and if the need for the requested accommodation is also readily apparent or known, re-verification is not required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

2.2.G Program Accessibility for Persons with Hearing or Vision Impairments

- (1) Opportunity Home must ensure that persons with disabilities related to hearing and vision have reasonable access to Opportunity Home's programs and services [24 CFR 8.6].
- (2) At the initial point of contact with each applicant, Opportunity Home shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.
- (3) To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display/teletype) communication will be available.
- (4) Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2.2.H Physical Accessibility

- (1) Opportunity Home must comply with a variety of regulations pertaining to physical accessibility, including the following:
 - (a) Notice PIH 2010-26
 - (b) Section 504 of the Rehabilitation Act of 1973
 - (c) The Americans with Disabilities Act of 1990
 - (d) The Architectural Barriers Act of 1968
 - (e) The Fair Housing Act of 1988
- (2) Opportunity Home's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:
 - (a) This plan describes the key policies that govern Opportunity Home's responsibilities with regard to physical accessibility.
 - (b) Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.

- (c) Opportunity Home's Plan provides information about self-evaluation, needs assessment, and transition plans.
- (3) The design, construction, or alteration of Opportunity Home facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Notice PIH 2010-26 contains specific information on calculating the percentages of units for meeting UFAS requirements.
- (4) When issuing a voucher to a family that includes an individual with disabilities, Opportunity Home will include a current list of available accessible units known to Opportunity Home and will assist the family in locating an available accessible unit, if necessary.
- (5) In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

2.2.I Denial Or Termination Of Assistance

- (1) Opportunity Home's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].
- (2) When applicants with disabilities are denied assistance, the notice of denial must inform them of Opportunity Home's informal review process and their right to request an informal review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.
- (3) When a participant family's assistance is terminated, the notice of termination must inform them of Opportunity Home's informal hearing process and their right to request a hearing and reasonable accommodation.
- (4) When reviewing reasonable accommodation requests, Opportunity Home must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to Opportunity Home's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, Opportunity Home must make the accommodation.

2.3 Improving Access to Services for Persons with Limited English Proficiency (LEP)

2.3.A Overview

- (1) Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the Federal Register.
- (2) Opportunity Home will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).
- (3) LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are public housing applicants and participants, and parents and family members of applicants and participants.
- (4) In order to determine the level of access needed by LEP persons, Opportunity Home will balance the following four factors:
 - (a) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program;
 - (b) the frequency with which LEP persons come into contact with the program;
 - (c) the nature and importance of the program, activity, or service provided by the program to people's lives; and
 - (d) the resources available to Opportunity Home and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on Opportunity Home.

2.3.B Oral Interpretation

- (1) Opportunity Home will offer competent interpretation services free of charge, upon request, to the LEP person.

- (2) Opportunity Home will utilize a language line for telephone interpreter services.
- (3) As an additional available resource, Opportunity Home will utilize bilingual staff to communicate effectively and appropriately as interpreters and translators, to assist when needed.
- (4) Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by Opportunity Home.
- (5) Opportunity Home will analyze the various kinds of contacts it has with the public to assess language needs and decide what reasonable steps should be taken.
 - (a) “Reasonable steps” may not be reasonable where the costs imposed substantially exceed the benefits.

2.3.C Written Translation

- (1) *Translation* is the replacement of a written text from one language into an equivalent written text in another language.
- (2) In order to comply with written-translation obligations, Opportunity Home will take the following steps:
 - (a) Opportunity Home will provide written translations of vital documents for each eligible LEP language group that constitutes 1,000 persons of the population of persons eligible to be served or likely to be affected or encountered; or
 - (b) If there are fewer than 50 persons in a language group that reaches the five percent trigger, Opportunity Home does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of charge.

2.3.D Implementation Plan

- (1) After completing the four-factor analysis and deciding what language assistance services are appropriate, Opportunity Home shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.
- (2) If Opportunity Home determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the

underlying obligation to ensure meaningful access by LEP persons to Opportunity Home's Housing Choice Voucher program and services.

- (3) If it is determined that Opportunity Home serves very few LEP persons, and Opportunity Home has very limited resources, Opportunity Home will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access.
- (4) If Opportunity Home determines it is appropriate to develop a written LEP plan, the following five steps will be taken:
 - (a) Identifying LEP individuals who need language assistance;
 - (b) identifying language assistance measures;
 - (c) training staff;
 - (d) providing notice to LEP persons; and
 - (e) monitoring and updating the LEP plan.

Exhibit 2-1: Definition of a Person With a Disability Under Federal Civil Rights Laws [24 CFR Parts 8.3 And 100.201]

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

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

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

Exhibit 2-2: Reasonable Accommodation Policy and Procedures



A COMMUNITY OF POSSIBILITIES

Reasonable Accommodation Policy and Procedures

Opportunity Home is dedicated to ensuring that persons with disabilities are provided equal access to housing assistance program services and activities. If a person with disabilities requests an accommodation to an existing rule, policy, practice, or service in order to have an equal opportunity to use a dwelling unit or enjoy the benefits of participating in Opportunity Home's services, Opportunity Home will provide the accommodation.

A copy of Opportunity Home's reasonable accommodation (RA) policy will be available at each public housing development, at Opportunity Home's Central Office (818 S. Flores St., San Antonio, Texas 78204), and online at www.homesa.org.

This policy is in compliance with the following federal laws:

- Section 504 of the Rehabilitation Act of 1973;
- Titles II and III of the Americans with Disabilities Act of 1990 (ADA);
- The Fair Housing Act of 1968; and
- Title 24 of the Code of Federal Regulations Part 8.

There are four parts to this document:

Part 1: Overview

Part 2: Verification of Reasonable Accommodation

Part 3: Denial of a Reasonable Accommodation

Part 4: Transfer as a Reasonable Accommodation for a Public Housing Resident

Overview

- (1) A “reasonable accommodation” is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to housing assistance.

- (a) Examples of reasonable accommodations within the Housing Choice Voucher (HCV) Program may include, but are not limited to, the following:
 - (i) Permitting application and recertifications to be completed by mail;
 - (ii) Making documents available in large print, computer disc, or Braille;
 - (iii) Conducting home visits;
 - (iv) Providing an additional bedroom for a disabled family member’s medical equipment;
 - (v) Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability;
 - (vi) Permitting a family to have a service or assistance animal to assist a household member with a disability;
 - (vii) Allowing an Opportunity Home-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit; and
 - (viii) Permitting an authorized designee to participate in the application or certification process and any other meetings with Opportunity Home staff.

- (b) Examples of reasonable accommodations within the Public Housing (PH) Program may include, but are not limited to, the following:
 - (i) Permitting application and recertifications to be completed by mail;
 - (ii) Making documents available in large print, compact disc, or Braille;
 - (iii) Conducting home visits;
 - (iv) Providing an additional bedroom for a disabled family member’s medical equipment;
 - (v) Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability;
 - (vi) Allowing an Opportunity Home -approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit;

- (vii) Permitting an authorized designee to participate in the application or certification process and any other meetings with Opportunity Home staff;
- (viii) Making an offer to transfer a resident with a disability to a public housing unit with the required accessibility features;
- (ix) Making a housing unit, part of a housing unit, or public and common use areas accessible for an individual with a disability;
- (x) Permitting a family to have a service or assistance animal to assist a household member with a disability;
- (xi) Transferring a resident with a disability to a ground floor level unit; and
- (xii) Providing accessible parking spaces at properties.

- (2) Opportunity Home is not required to make changes that would fundamentally alter the program or create an undue and administrative burden.

(3) Landlord Requirements

- (a) The owner / landlord is required to abide by laws set forth in The Fair Housing Act and The Americans with Disabilities Act (ADA).
- (b) If the owner / landlord does not abide by The Fair Housing Act and ADA, Opportunity Home may take action, including but not limited to the following:
 - (i) Denial of Request for Tenancy Approval;
 - (ii) Abatement or suspension of Housing Assistance Payments;
 - (iii) Termination of the Housing Assistance Payment Contract; or
 - (iv) Debarment of the owner / landlord from program participation.

(4) Definitions

To qualify for an RA, an individual must meet the definition of “an individual with a disability” as defined by the Americans with Disabilities Act (ADA):

- (a) An “individual with a disability” is defined as a person who has a physical and/or mental impairment that substantially limits one or more major life activities and is a person who has a history or record of such an impairment or a person who is regarded as having such an impairment.
 - (i) As used in this definition, “a physical and/or mental impairment” includes any physiological disorder or condition, cosmetic disfigurement, anatomical loss, and any mental or psychological disorder.

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- (ii) “Major life activities” includes functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.
- (b) Disabilities do not have to be permanent or have existed for a period of time before a reasonable request is made.

Verification of Reasonable Accommodation

- (1) Before providing a reasonable accommodation, Opportunity Home must determine that:
 - (a) The person meets the definition of a person with a disability, and
 - (b) The accommodation will enhance the family's access to Opportunity Home's programs and services.
- (2) If a person's disability is obvious or otherwise known to Opportunity Home and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- (3) If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to Opportunity Home, Opportunity Home will take the following steps:
 - (a) Provide the family with a *Request for a Reasonable Accommodation Form* to complete.
 - (b) Once complete, Opportunity Home must obtain third-party verification from an individual identified by the family who is competent to make the determination of the above requirements: (1)(a) and (1)(b). The following entities may provide verification of a disability:
 - (i) A doctor or other medical professional,
 - (ii) A peer support group,
 - (iii) A non-medical service agency, or
 - (iv) A reliable third party who is in a position to know about the individual's disability.
 - (c) Opportunity Home will fax/email the *Reasonable Accommodation Verification Form* to be completed by the knowledgeable professional.
 - (i) Opportunity Home will not inquire about the nature or extent of any disability. In the event that Opportunity Home does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, Opportunity Home will note in the file that the disability has been verified, the date the verification was received, the name and address of the knowledgeable professional, and dispose of the confidential information.
 - (d) If Opportunity Home receives adequate verification that the individual meets the appropriate definition of "an individual with a disability" and that the accommodation is necessary to enhance the family's access to Opportunity Home's programs and services, Opportunity Home will approve and process the request for the reasonable accommodation.
- (4) When an individual requests a live-in aide, Opportunity Home must verify that the live-in aide passes the Criminal History Record (CHR) requirements.

- (5) Opportunity Home will respond with a written decision to approve the requested reasonable accommodation within 10 business days.

Denial of a Requested Accommodation

- (1) Opportunity Home will not approve a reasonable accommodation if the individual does not meet the definition of “an individual with a disability” or the requested accommodation is not necessary and reasonable according to third-party verification.
- (2) Additionally, the reasonable accommodation will not be approved if one of the following would occur as a result of the approval:
 - (a) A violation of state and/or federal law;
 - (b) A fundamental alteration in the nature of the program;
 - (c) An undue financial and administrative burden to Opportunity Home;
 - (d) A structurally impracticable alteration; or
 - (e) A housing unit alteration requires the removal or alteration of a load-bearing structural member.
- (3) If Opportunity Home’s determination is to deny the reasonable accommodation, Opportunity Home staff will forward the reasonable accommodation request and verification to Opportunity Home’s 504 Coordinator for review.
- (4) Opportunity Home’s 504 Coordinator will review the reasonable accommodation request to determine whether proper procedure has been followed by Opportunity Home staff within 10 business days.
 - (a) If the 504 Coordinator determines that the reasonable accommodation request should be approved, the requestor will be sent a written notice of approval and the 504 Coordinator will notify the appropriate Opportunity Home staff to process the reasonable accommodation.
 - (b) If the 504 Coordinator determines that the reasonable accommodation request should be denied, they will forward the request and verification to the Manager of Policy and Operations Support.
 - (i) If the Manager of Policy and Operations Support determines that the reasonable accommodation request should be approved, the requestor will be sent a written notice of approval and the 504 Coordinator will notify the appropriate Opportunity Home staff to process the reasonable accommodation.
 - (ii) If the Manager of Policy and Operations Support determines that the reasonable accommodation request should be denied, they will forward the request and verification to the Assistant Director of Operations Support - Policy.
 - (1) If the Assistant Director of Operations Support - Policy determines that the reasonable accommodation request should be approved, the requestor will be sent a written notice of approval and the 504 Coordinator will notify the appropriate

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Opportunity Home staff to process the reasonable accommodation.

- (2) If the Assistant Director of Operations Support - Policy determines that the reasonable accommodation request should be denied, the 504 Coordinator will send a written notice of denial to the requestor.
- (5) If Opportunity Home denies a request for an accommodation because it is not reasonable, Opportunity Home will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the program and without imposing an undue financial and administrative burden.
- (6) If the request for a reasonable accommodation is denied, the requestor may submit a completed *Request for an Informal Hearing* within 10 business days of the date of the decision notice.
- (7) Applicants and participants may at any time exercise their right to appeal Opportunity Home's decision through the local HUD office or the United States Department of Justice. Contact information for the local HUD office is provided below:

U.S. Department of Housing and Urban Development
615 E Houston ST. #347
San Antonio, TX 78205
Phone: (210) 475-6800 | Fax: (210) 472-6804
TTY: (800) 877-8339

Transfer as a Reasonable Accommodation for a Public Housing Resident

- (1) Public Housing residents may request a transfer to another unit as a reasonable accommodation or to a unit with required accessibility features.
- (2) Opportunity Home will place the resident on the transfer waiting list for the appropriate unit type/location.
- (3) If the resident refuses a unit offer without good cause, the resident will be removed from the transfer waiting list.
- (4) Opportunity Home will bear the moving expenses to transfer a resident with a disability as an accommodation for the resident's disability [Notice PIH 2010-26].
- (5) Opportunity Home may make reasonable modifications to the elements in the resident's current unit to provide accessibility features unless doing so would be structurally impracticable or would result in an undue financial and administrative burden.



A COMMUNITY OF POSSIBILITIES

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

CHAPTER 3

ELIGIBILITY

Chapter 3: Eligibility

Opportunity Home is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by Opportunity Home to confirm eligibility and determine the level of the family's assistance.

This chapter contains three parts:

PART 1: Definitions of Family and Household Members

This part contains HUD and Opportunity Home definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

PART 2: Basic Eligibility Criteria

This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

PART 3: Denial of Admission

This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause Opportunity Home to deny admission.

3.1 Definitions of Family and Household Members

3.1.A Overview

- (1) Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance.
- (2) In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the assisted unit.
- (3) This part provides information that is needed to correctly identify family and household members, and to apply HUD's eligibility rules.

3.1.B Family and Household [24 CFR 982.201(C), HUD-50058 IB, P. 13]

The terms *family* and *household* have different meanings in the HCV program.

(1) Family [24 CFR 5.403]

- (a) To be eligible for admission, an applicant must qualify as a family.
- (b) *Family* as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
 - (i) A single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or
 - (ii) A group of persons residing together.
 - (A) Such group includes, but is not limited to:
 - (1) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family),
 - (2) An elderly family,
 - (3) A near-elderly family,
 - (4) A disabled family,
 - (5) A displaced family, or
 - (6) The remaining member of a tenant family.
 - (iii) Opportunity Home has the discretion to determine if any other group of persons qualifies as a family.

(2) Household

Household is a broader term that includes additional people who, with Opportunity Home's permission, live in an assisted unit, such as

- (a) Live-in aides,

- (b) Foster children, and
- (c) Foster adults.

3.1.C Family Breakup and Remaining Member of Tenant Family

(1) Family Breakup [24 CFR 982.315; Notice PIH 2017-08]

- (a) Except under the following conditions, Opportunity Home has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:
 - (i) If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, Opportunity Home must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-VII.D of this plan)
 - (ii) In accordance with Notice PIH 2017-08 for HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers, when the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the victim must continue to be assisted. Upon termination of the perpetrator's HUD-VASH voucher, the victim should be given a regular HCV if one is available, and the perpetrator's HUD-VASH voucher should be used to serve another eligible family. If a regular HCV is not available, the victim will continue to use the HUD-VASH voucher, which must be issued to another eligible family upon the voucher's turnover.
 - (iii) If a court determines the disposition of property between members of the assisted family, Opportunity Home is bound by the court's determination of which family members continue to receive assistance.

- (b) When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, only the Head of Household or the adult family member with at least 51 percent legal custody of the minor children may retain the position on the waiting list.
- (c) In the absence of a judicial decision, or an agreement among the original family members, Opportunity Home will determine which

family retains their placement on the waiting list, or will continue to receive assistance, taking into consideration the following factors:

- (i) Which family member applied as head of household;
 - (ii) The interest of any minor children, including custody arrangements;
 - (iii) The interest of any ill, elderly, or disabled family members;
 - (iv) The interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse, and provides documentation in accordance with Section 16.10.D of this Administrative Plan;
 - (v) Any possible risks to family members as a result of criminal activity; and
 - (vi) The recommendations of social service professionals.
- (d) Documentation of factors for Opportunity Home to consider in determining which family will retain their placement on the waiting list, or will continue to receive assistance, is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by Opportunity Home.

(2) **Remaining Member of a Tenant Family [24 CFR 5.403]**

- (a) The HUD definition of family includes the *remaining member of a tenant family*, which is a member of a resident family who remains in the unit when other members of the family have left the unit [PH Occ GB, p. 26]. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.
- (b) If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Section 6.1.B for the policy on “Caretakers for a Child.”

3.1.D Head of Household [24 CFR 5.504(B)]

- (1) *Head of household* means the adult member of the family who is considered the head for purposes of determining income eligibility and rent.
- (2) Minors who are emancipated under state law may be recognized as the head of household.

- (3) The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.
- (4) The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

3.1.E Spouse, Cohead, and Other Adult

- (1) A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].
- (2) *Spouse* means the marriage partner of the head of household.
 - (a) A *marriage partner* includes the partner in a "common law" marriage as defined in state law.
 - (b) The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners.
- (3) A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.
- (4) *Other adult* means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults [HUD-50058 IB, p. 14].

3.1.F Dependent [24 CFR 5.603]

- (1) A *dependent* is:
 - (a) A family member who is under 18 years of age, or
 - (b) A person of any age who is a person with a disability or a full-time student; and
 - (c) *Never* one of the following persons:
 - (i) Head of household,
 - (ii) Spouse,
 - (iii) Cohead,
 - (iv) Foster children/adults, and
 - (v) Live-in aides.

- (2) Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

- (3) **Joint Custody of Dependents**

- (a) Children who are subject to a joint custody agreement but live with one parent at least 51 percent of the time will be considered members of the household. "51 percent of the time" is defined as 186 consecutive or nonconsecutive days of the year.
- (b) When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents.
- (c) If there is a dispute about which family should claim them, Opportunity Home will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

3.1.G Full-Time Student [24 CFR 5.603, HCV GB, p. 5-29]

- (1) A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to determine if attendance is full-time is defined by the educational institution.
- (2) Identifying each FTS is important because:
 - (a) Each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction, and
 - (b) The income of such an FTS is treated differently from the income of other family members.

3.1.H Elderly and Near-Elderly Persons, and Elderly Family [24 CFR 5.100 AND 5.403, FR Notice 02/03/12]

- (1) An *elderly person* is a person who is at least 62 years of age.
- (2) A *near-elderly person* is a person who is 50-61 years of age.
- (3) An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because these families qualify for the elderly family allowance and the medical allowance as

described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

3.1.I Persons with Disabilities and Disabled Family [24 CFR 5.406, FR Notice 02/03/12]

(1) Persons with Disabilities

- (a) Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities.
- (b) The technical definitions of individuals with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.
- (c) As discussed in Chapter 2, Opportunity Home must make all aspects of the HCV program accessible to persons with disabilities and consider requests for reasonable accommodations when a person's disability limits their full access to the unit, the program, or Opportunity Home's services.

(2) Disabled Family

- (a) A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for special deductions from income as described in Chapter 6.
- (b) Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent Opportunity Home from denying assistance for reasons related to alcohol and drug abuse following policies found in Part III of this chapter, or from terminating assistance following the policies in Chapter 12.

3.1.J Guests [24 CFR 5.100]

- (1) A *guest* is defined as a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to do so on behalf of the tenant.
- (2) Any adult not included on the HUD 50058 will be considered to be living in the unit as an unauthorized household member if the individual has been in the unit.

- (a) More than 30 consecutive days without Opportunity Home approval;
 - (b) A total of 60 days in a 12-month period; or
 - (c) A period longer than allowed by the lease agreement.
- (3) The burden of proof that an individual is a guest rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and Opportunity Home will terminate assistance since prior approval was not requested for the addition.
- (4) Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.
- (5) In making its determination, Opportunity Home may consider the following items as verification of an unauthorized household member.
- (a) The alleged unauthorized member is unable to provide evidence of residency elsewhere.
 - (b) Statements from neighbors and/or the landlord.
 - (c) Any use of the unit address as the guest's current residence.
 - (d) If the utilities are in the name of the visitor or any other unauthorized member.

3.1.K Foster Children and Foster Adults

- (1) *Foster adults* are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609(c)(2)].
- (2) The term *foster child* is not specifically defined by the regulations.
- (3) Foster children and foster adults that are living with an applicant or resident family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, pp. 13-14].
 - (a) A *foster child* is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

- (b) A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.
- (c) Foster children will be included in determining unit size only if they will be in the unit for more than six months.

Children who are temporarily absent from the home as a result of placement in foster care are discussed in Section 3.1.L.

3.1.L Absent Family Members

- (1) Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons, including:
 - (a) Educational activities,
 - (b) Placement in foster care,
 - (c) Employment,
 - (d) Illness,
 - (e) Incarceration, and
 - (f) Court order.

(2) Definitions of Temporarily and Permanently Absent

- (a) An individual who is or is expected to be absent from the assisted unit for less than 45 consecutive days is considered *temporarily absent* and continues to be considered a family member.
- (b) An individual who is or is expected to be absent from the assisted unit for more than 45 consecutive days is considered *permanently absent* and no longer a family member.
- (c) **Rent Calculation**
 - (i) Opportunity Home must include in its rent calculations all applicable income of every family member who is on the lease, including those who are temporarily absent.
 - (ii) If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay as defined by HUD) is counted as income.
 - (iii) Income of persons permanently absent will not be counted.

(3) **Absent Students**

- (a) When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to Opportunity Home indicating that the student has established a separate household or the family declares that the student has established a separate household.

(4) **Absences Due to Placement in Foster Care [24 CFR 5.403]**

- (a) Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

- (b) If the family includes a child or children who are temporarily absent from the home due to placement in foster care, Opportunity Home will determine from the appropriate agency when the child/children will be returned to the home.

(c) **Voucher Size**

- (i) If the time period is to be greater than 90 consecutive days from the date of removal of the child/children, the voucher size will be reduced.
- (ii) If all children are removed from the home permanently, the voucher size will be reduced in accordance with Opportunity Home's subsidy standards.
- (iii) Any changes to the voucher size due to the placement of a child in foster care will be effective at the family's next reexamination.

(5) **Absent Head, Spouse, or Cohead**

- (a) An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

(6) **Family Members Confined for Medical Reasons**

- (a) If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

- (b) If any family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, Opportunity Home will seek advice from a responsible medical professional as to the likelihood and timing of their return.

- (i) If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.
- (ii) If the verification indicates that the family member will return in less than 90 consecutive days, the family member will not be considered permanently absent.
- (c) If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with Opportunity Home's "Absence of Entire Family" policy.

(7) Absence Due to Incarceration

- (a) If the sole member is incarcerated for more than 45 consecutive days, they will be considered permanently absent
- (b) Any member of the household, other than the sole member, will be considered permanently absent if they are incarcerated for 45 consecutive days.
- (c) Opportunity Home will determine if the reason for incarceration is for drug-related or violent criminal activity, which may result in the termination of assistance prior to the 45 consecutive days.

(8) Absence of Entire Family

The below guidelines address situations in which the family is absent from the unit but has not moved out of the unit.

- (a) In cases where the family has moved out of the unit, Opportunity Home will terminate assistance in accordance with termination procedures contained in this Plan.
- (b) Families are required to notify Opportunity Home at least 30 days before they move out of a unit.
- (c) Families must notify Opportunity Home within 10 days after leaving the unit if they are going to be absent from the unit for more than 45 consecutive days.
- (d) If the entire family is absent from the assisted unit for more than 45 consecutive days, the unit will be considered vacated and the assistance will be terminated. If it is determined that the family is absent from the unit, Opportunity Home will not continue assistance payments.

- (e) To determine if the family is absent from the unit, Opportunity Home may:
 - (i) Write letters to the family at the unit
 - (ii) Telephone the family at the unit
 - (iii) Interview neighbors
 - (iv) Verify if utilities are in service
 - (v) Check with the post office
- (f) Opportunity Home will not approve an extension beyond 90 consecutive calendar days.

(9) **Absence Due to Military Duty**

- (a) Family members called to active duty will not be considered absent from the household during their term of active duty.

(10) **Return of Permanently Absent Family Members**

- (a) The family must request Opportunity Home approval for the return of any adult family members that Opportunity Home has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed in this chapter.

3.1.M Live-In Aide

- (1) A live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:
 - (a) is determined to be essential to the care and well-being of the person(s),
 - (b) is not obligated for the support of the person(s), and
 - (c) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].
- (2) Opportunity Home must approve a live-in aide if needed as a reasonable accommodation for a person with disabilities in accordance with 24 CFR 8.
- (3) A live-in aide is considered a household member but not a family member. The income of the live-in aide is not counted in determining the annual income of the family [24 CFR 5.609(c)(5)].
 - (a) Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide.

- (b) However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.
 - (c) Opportunity Home will not approve a request for a family member living in the household to become a live-in aide.
 - (d) Opportunity Home may approve a live-in aide to become a family member in the household; however, Opportunity Home will not approve the person to revert back to a live-in aide [Live-In Aides and the Housing Choice Voucher Program Fact Sheet].
- (4) A live-in aide is treated differently than family members:
- (a) Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
 - (b) Live-in aides are not subject to Non-Citizen Rule requirements.
 - (c) Live-in aides may not be considered as a remaining member of the tenant family.
- (5) A live-in aide may only reside in the unit with the approval of Opportunity Home.
- (6) Written verification will be required from a reliable, knowledgeable professional such as a physician, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly (50-61) or disabled. For continued approval, see Chapter 2.
- (7) Opportunity Home will approve one or more live-in aides if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and Chapter 2 of this Administrative Plan.
- (8) Verification must specify whether the live-in aide will provide overnight care.
- (9) In accordance with 24 CFR 982.316 at any time, Opportunity Home will refuse to approve a particular person as a live-in aide or may withdraw such approval if:
- (a) The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
 - (b) The person commits drug-related criminal activity or violent criminal activity;
 - (c) The person currently owes rent or other amounts to Opportunity Home or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;

- (d) Live-in aide does not meet the Criminal History Review (CHR) requirements;
- (e) The person fails to provide verification of legal identity (current, valid Driver's License, Department of Motor Vehicles Identification Card, etc.); or
- (f) The person fails to provide a social security number (SSN) and verification of the SSN.

3.2 Basic Eligibility Criteria

3.2.A Income Eligibility and Targeting

(1) Income Limits

- (a) HUD is required by law to establish income limits that determine the income eligibility of applicants for HUD's assisted housing programs, including the housing choice voucher program.
- (b) The income limits are published annually and are based on HUD estimates of median family income in a particular area or county, with adjustments for family size.

(2) Types of Low-Income Families [24 CFR 5.603(b)]

- (a) *Low-income family.* A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.
- (b) *Very low-income family.* A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.
- (c) *Extremely low-income family.* A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.
- (d) HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

(3) Using Income Limits for Eligibility [24 CFR 960.201]

- (a) Income limits are used for eligibility only at admission.
- (b) Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income eligible, the family must be one of the following:
 - (i) A *very low-income* family;
 - (ii) A *low-income* family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4; 24 CFR 982.201(b)];
 - (iii) A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173;

- (iv) A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101.
 - (c) To determine if the family is income-eligible, Opportunity Home compares the Annual Income of the family to the applicable income limit for the family's size.
 - (d) Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.
 - (e) HUD permits Opportunity Home to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with Opportunity Home's plan and the consolidated plans for local governments within Opportunity Home's jurisdiction.
 - (f) Opportunity Home will administer enhanced vouchers for at-risk households in accordance with HUD requirements.
- (4) **Using Income Limits for Targeting [24 CFR 982.201]**
- (a) At least 75 percent of the families admitted to Opportunity Home's program during Opportunity Home's fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if Opportunity Home demonstrates that it has made all required efforts, but has been unable to attract an adequate number of qualified extremely low-income families.
 - (b) Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not subject to the 75 percent restriction.

3.2.B Citizenship or Eligible Immigration Status [24 CFR 5, Subpart E]

- (1) Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.
- (2) All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with Opportunity Home's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

(3) **Declaration [24 CFR 5.508]**

- (a) HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status.
- (b) Those who elect not to contend their status are considered to be ineligible noncitizens.
- (c) For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors.
- (d) The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below).
- (e) No declaration is required for live-in aides, foster children, or foster adults.
- (f) **U.S. Citizens and Nationals**
 - (i) In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit Opportunity Home to request additional documentation of their status, such as a passport.

- (ii) Acceptable documentation will include at least one of the following original documents:
 - (A) United States birth certificate
 - (B) United States passport
 - (C) Resident alien/registration card
 - (D) Social security card
 - (E) Other appropriate documentation as determined by Opportunity Home
- (iii) To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status.
- (iv) Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by the Immigration and Naturalization Service (INS).
- (v) Each family member must declare his or her status once.
- (vi) Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the Opportunity Home hearing is pending.

(g) **Eligible Noncitizens**

- (i) In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with Opportunity Home's efforts to verify their immigration status as described in Chapter 7.
- (ii) The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.
- (iii) Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

(h) **Ineligible Noncitizens**

- (i) Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status.
- (ii) Opportunity Home is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).
- (iii) Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522].
 - (A) This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany, or follow, to join the noncitizen student.
 - (B) Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

(4) **Mixed Families**

- (a) HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status.

- (b) Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination.

See Chapter 6 for a discussion of how rents are prorated, and Chapter 14 for a discussion of grievance hearing procedures.

(5) Ineligible Families [24 CFR 5.514(d),(e), and (f)]

- (a) Opportunity Home may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by Opportunity Home that the individual or at least one family member is eligible.
- (b) Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to Opportunity Home in accordance with program requirements [24 CFR 5.512(a)].

- (c) Opportunity Home will not provide assistance to a family before the verification of at least one family member.
- (d) When Opportunity Home determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.
- (e) The ineligibility notice will notify the family of:
 - (i) the reasons for the denial of assistance;
 - (ii) the family's eligibility for proration of assistance;
 - (iii) the family's right to request an appeal to the United States Citizenship and Immigration Services (USCIS); and
 - (iv) the family's right to request an informal hearing with Opportunity Home.
- (f) The informal hearing with Opportunity Home may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process.
- (g) The ineligibility notice must inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process (see Chapter 16).

(6) Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]

- (a) For new occupants joining the assisted family, Opportunity Home must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

- (b) If an individual qualifies for a time extension for the submission of required documents, Opportunity Home must grant such an extension for no more than 30 days [24 CFR 5.508(h)].
- (c) Each family member is required to submit evidence of eligible status only one time during continuous occupancy.
- (d) Opportunity Home will verify the status of applicants at the time other eligibility factors are determined.

3.2.C Social Security Numbers [24 CFR 5.216 and 5.218, HCV GB p. 5-13, Notice PIH 2018-24]

Refer to Chapter 17 regarding applicant Social Security Number (SSN) disclosure and verification.

3.2.D Family Consent to Release of Information [24 CFR 5.230, HCV GB p. 5-13]

- (1) HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.
- (2) Opportunity Home must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

Chapter 7 provides detailed information concerning the consent forms and verification requirements.

- (3) Opportunity Home will allow participants to opt-in to data sharing for outreach through community partnerships and education.
See Appendix A for Opportunity Home's Inter-agency Data Sharing Policy.

3.2.E Students Enrolled in Institutions of Higher Education [24 CFR 5.612, FR Notice 4/10/06, FR Notice 9/21/16]

- (1) Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.
- (2) 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 student is ineligible to receive HCV assistance. To qualify for HCV assistance, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from their parents in accordance with Opportunity Home policy, the income of the student's parents will not be considered in determining the student's eligibility.

- (3) The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

- (4) **Definitions**

In determining whether and how the new eligibility restrictions apply to a student, Opportunity Home will rely on the following definitions [FR Notice 4/10/06, FR Notice 9/21/16].

- (a) **Dependent Child**

- (i) In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education.
 - (ii) The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.
 - (iii) Foster children and foster adults are not considered dependents.

- (b) **Independent Child**

Opportunity Home will consider a student "independent" from his or her parents, and the parents' income will not be considered when determining the student's eligibility, if the following four criteria are all met:

- (i) The individual is of legal contract age under state law.
 - (ii) The individual has established a household separate from his or her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student.

To be considered an independent student according to the Department of Education, a student must meet one or more of the following criteria:

- (A) The individual is at least 24 years old by December 31 of the award year;
 - (B) The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older;
 - (C) The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence;
 - (D) The individual is a veteran of the U.S. Armed Forces, or is currently serving on active duty in the Armed Forces for other than training purposes;
 - (E) The individual is a graduate or professional student;
 - (F) The individual is married;
 - (G) The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent);
 - (H) The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting, by:
 - (1) a local educational agency homeless liaison;
 - (2) the director of a program funded under Subtitled B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director; or
 - (3) a financial aid administrator.
- (iii) The individual was not claimed as a dependent by his or her parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.
- (iv) The individual provides a certification of the amount of financial assistance that will be provided by their parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.
- (v) If Opportunity Home determines that an individual meets the definition of a vulnerable youth, such a determination is all that is

necessary to determine that the person is an independent student for the purposes of using only the student's income for determining eligibility for assistance.

- (vi) Opportunity Home will verify that a student meets the above criteria in accordance with the policies in Section 7.2.E.

(c) **Institution of Higher Education**

- (i) Opportunity Home will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an institution of higher education (see Exhibit 3-2).

(d) **Parents**

- (i) For purposes of student eligibility restrictions, the definition of parents includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

(e) **Person with Disabilities**

- (i) Opportunity Home will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a person with disabilities (see Exhibit 3-1).

(f) **Veteran**

A veteran is an individual who meets the following criteria:

- (i) The individual is a veteran of the armed forces, including former National Guard and Reserve members who served on active duty, which may include active duty service for training purposes only (e.g., basic training); and
- (ii) The individual received an "Honorable" or "General Under Honorable Conditions" discharge.

(g) **Vulnerable Youth**

- (ii) A vulnerable youth is an individual who meets the U.S. Department of Education's definition of independent student in paragraphs (b), (c), or (h), as adopted in Section II of FR Notice 9/21/16:

- (A) The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court

at any time when the individual was 13 years of age or older;

- (B) The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence; or
- (C) The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
 - (1) A local educational agency homeless liaison;
 - (2) The director of a program funded under Subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director; or
 - (3) A financial aid administrator.

(5) Determining Student Eligibility

- (a) If a student is applying for assistance on their own, apart from their parents, Opportunity Home must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, Opportunity Home must ensure that:
 - (i) The student is individually eligible for the program,
 - (ii) Either the student is independent from their parents or the student's parents are income eligible for the program, and
 - (iii) The "family" with which the student is applying is collectively eligible for the program.

- (b) For any student who is subject to the 5.612 restrictions, Opportunity Home will:
 - (i) Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program
 - (ii) Determine whether the student is independent from their parents in accordance with the definition of independent student in this section
 - (iii) Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

- (c) If Opportunity Home determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, Opportunity Home will send a notice of denial in accordance with the policies in Section 3.3.F, and the applicant family will have the right to request an informal review in accordance with the policies in Section 16.3.B.

(d) **Determining Parental Income Eligibility**

- (i) For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of independent student in this section, Opportunity Home will determine the income eligibility of the student's parents as follows:
 - (A) If the student's parents are married and living together, Opportunity Home will obtain a joint income declaration and certification of joint income from the parents.
 - (B) If the student's parent is widowed or single, Opportunity Home will obtain an income declaration and certification of income from that parent.
 - (C) If the student's parents are divorced or separated, Opportunity Home will obtain an income declaration and certification of income from each parent.
 - (D) If the student has been living with one of their parents and has not had contact with or does not know where to contact their other parent, Opportunity Home will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. Opportunity Home will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.
- (ii) In determining the income eligibility of the student's parents, Opportunity Home will use the income limits for the jurisdiction in which the parents live.

3.3 Denial of Assistance

3.3.A Overview

- (1) A family that does not meet the eligibility criteria discussed in 3.1 and 3.2, must be denied assistance.
- (2) In addition, HUD requires or permits Opportunity Home to deny assistance based on certain types of current or past behaviors of family members.
- (3) **Forms of Denial [24 CFR 982.552(a)(2); HCV GB, p. 5-35]**

Denial of assistance includes any of the following:

- (a) Not placing the family's name on the waiting list
 - (b) Denying or withdrawing a voucher
 - (c) Not approving a request for tenancy or refusing to enter into a HAP contract
 - (d) Refusing to process a request for or to provide assistance under portability procedures
- (4) **Prohibited Reasons for Denial of Program Assistance [24 CFR 982.202(b), 24 CFR 5.2005(b)]**

HUD rules prohibit denial of program assistance to the program based on any of the following criteria:

- (a) Age, disability, race, color, religion, sex, or national origin (see Chapter 2 for additional information about fair housing and equal opportunity requirements)
- (b) Where a family lives prior to admission to the program
- (c) Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside Opportunity Home's jurisdiction under portability. (See Chapter 10)
- (d) Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- (e) Whether the family includes children
- (f) Whether a family decides to participate in a family self-sufficiency program
- (g) Whether or not a qualified applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant is otherwise qualified for assistance (see Section 3.3.G).

3.3.B Screening

(1) Screening for Eligibility

- (a) Opportunity Home is authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists Opportunity Home in complying with HUD requirements and Opportunity Home policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities.
 - (i) In order to obtain access to the records, Opportunity Home must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].
 - (ii) Opportunity Home will perform a criminal background check through local law enforcement for every adult household member.
- (b) Opportunity Home is required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].
 - (i) Opportunity Home will perform lifetime sex offender registration checks of every adult family household member using the Dru Sjodin National Sex Offender Public Website and the Texas Public Sex Offender Registry.
- (c) If Opportunity Home proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, Opportunity Home must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission. [24 CFR 5.903(f) and 5.905(d)].

(2) Screening for Suitability as a Tenant [24 CFR 982.307]

- (a) Opportunity Home has no liability or responsibility to the owner for the family's behavior or suitability for tenancy.
- (b) Opportunity Home may opt to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.
 - (i) Opportunity Home will not conduct additional screening to determine an applicant family's suitability for tenancy.

- (c) The owner is responsible for screening and selection of the family to occupy the owner's unit.
- (d) Opportunity Home must inform the owner that screening and selection for tenancy is the responsibility of the owner.
- (e) An owner may consider a family's history with respect to factors such as:
 - (i) payment of rent and utilities, caring for a unit and premises,
 - (ii) respecting the rights of other residents to the peaceful enjoyment of their housing,
 - (iii) criminal activity that is a threat to the health, safety or property of others, and
 - (iv) compliance with other essential conditions of tenancy.
- (f) HUD requires Opportunity Home to provide prospective owners with the family's current and prior address (as shown in Opportunity Home's records) and the name and address (if known) of the owner at the family's current and prior addresses.
- (g) HUD permits Opportunity Home to provide owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.
 - (i) Opportunity Home will also provide the owner with the phone number of the owner at the family's current and prior addresses.
 - (ii) Opportunity Home's policy on providing information to owners will be included in the family's briefing packet.
- (h) Opportunity Home may not disclose to the owner any confidential information provided in response to a 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(a)(4)].

3.3.C Mandatory Denial of Assistance [24 CFR 982.553(a)]

HUD requires Opportunity Home to deny assistance in the following cases:

- (1) Any member of the household has been evicted from federally-assisted housing in the last three years for drug-related criminal activity. HUD permits, but does not require, Opportunity Home to admit an otherwise-eligible family if the household member has completed a Opportunity Home-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).

- (a) Opportunity Home will deny assistance to an applicant family if any member of the household has been evicted from federally assisted housing for drug-related criminal activity in accordance with Opportunity Home's Screening Criteria Grid [see 3.3.E Opportunity Home Criminal History Screening Policy].
 - (b) Opportunity Home will admit an otherwise eligible family who was evicted from federally-assisted housing for drug-related criminal activity, if Opportunity Home is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by Opportunity Home, or the person who committed the crime, is no longer living in the household.
- (2) Opportunity Home determines that any household member is currently engaged in the use of illegal drugs.
 - (a) *Currently engaged in* is defined as any use of illegal drugs during the previous six months.
- (3) Opportunity Home has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
 - (a) In determining reasonable cause, Opportunity Home will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol.
 - (b) A conviction will be given more weight than an arrest.
 - (c) Opportunity Home will also consider evidence from treatment providers or community-based organizations providing services to household members.
- (4) Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- (5) Any household member is subject to a lifetime registration requirement under a state sex offender registration program

3.3.D Other Permitted Reasons for Denial of Admission

- (1) HUD permits, but does not require Opportunity Home to deny admission for the reasons discussed in this section.

(2) In making its decision to deny assistance, Opportunity Home will consider the factors discussed in Section 3.3.F. Upon consideration of such factors, Opportunity Home may, on a case-by-case basis, decide not to deny assistance.

(3) **Fugitive Felon [Public Law 104-193 SEC. 903]**

(a) Opportunity Home will deny assistance to an applicant if a household member is fleeing or harboring an individual who is fleeing, to avoid prosecution, or custody or confinement after conviction, for a crime, or 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.

(4) **Previous Behavior in Assisted Housing [24 CFR 982.552(c)]**

HUD authorizes Opportunity Home to deny assistance based on the family's previous behavior in assisted housing.

Opportunity Home is not permitted to deny assistance to a family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program [24 CFR 984.101(d)].

(a) Opportunity Home will deny assistance to an applicant family for the following reasons:

- (i) The family does not provide information that Opportunity Home or HUD determines is necessary in the administration of the program.
- (ii) The family does not provide complete and true information to Opportunity Home.
- (iii) Any family member has been evicted from federally-assisted housing in the last three years.
- (iv) Any PHA has terminated housing assistance for any member of the family in the past three years.
- (v) Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- (vi) The family owes rent or other amounts to any other PHA in connection with Section 8 or other public housing assistance under the 1937 Act, unless the family repays the full amount of the debt prior to being selected from the waiting list.

- (vii) The family owes rent or other amounts to Opportunity Home in connection with Section 8 or other public housing assistance under the 1937 Act, unless the family enters into a repayment agreement upon admission.
- (viii) If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.
 - (A) In the case of vacancy loss / damage amounts accrued under the MOD-Rehab program, the family will be permitted to enter into a repayment agreement with Opportunity Home.
- (ix) The family has breached the terms of a repayment agreement entered into with Opportunity Home, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.
- (x) A family member has engaged in or threatened violent or abusive behavior toward Opportunity Home personnel.
 - (A) *Abusive or violent behavior towards Opportunity Home personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
 - (B) *Threatening* refers to verbal or written threats or physical gestures that communicate intent to abuse or commit violence.
- (b) Opportunity Home may deny admission based on the termination reason for family members who have been terminated from federally-assisted housing in the last three years.

3.3.E Opportunity Home Criminal History Screening Policy

- (1) HUD permits, but does not require, Opportunity Home to deny assistance if it determines that any household member is currently engaged in, or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.
- (2) Opportunity Home will conduct a criminal background check for every adult household member in an applicant's household.

- (3) In accordance with HUD regulations, Opportunity Home will deny assistance to any household member with a lifetime registration requirement under a state sex offender registration program.
- (4) In accordance with HUD regulations, Opportunity Home will deny assistance to any household member who has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- (5) If any household member is currently engaged in, or has engaged in, any criminal activities during the designated look-back periods as presented in the Opportunity Home Screening Criteria Grid below, the family will be denied admission.
- (6) The look-back periods in the Screening Criteria Grid apply to offenses that resulted in conviction and are considered from the date of the offense to the date of the screening.
- (7) The Screening Criteria Grid generally applies to convictions. A record of arrest(s) will not be used as the basis for the denial or proof that the applicant engaged in disqualifying criminal activity.
- (8) If an expunged conviction appears on a criminal background report, it will not be considered in the screening process.
- (9) Attempts and conspiracies to commit a crime will be treated the same way as the primary crime. For example, an applicant with a conviction for attempted murder will be screened the same way as a person with a conviction for murder.

Opportunity Home Screening Criteria Grid

Offense Category	Within Seven Years of Offense	Within Five Years of Offense	Within Three Years of Offense
Violent Criminal Activity	<ul style="list-style-type: none"> ● 1st Degree / 2nd Degree Homicide ● Manslaughter / Criminally Negligent Homicide ● Assault (Felony) ● Aggravated Assault ● Robbery (All Types), including 	<ul style="list-style-type: none"> ● Assault (Misdemeanor) ● Deadly Conduct (Misdemeanor) ● Stalking ● Harassment ● Crimes involving Terrorism / Terroristic Threat 	<ul style="list-style-type: none"> ● Assault by Contact ● Crimes against Animals

	<p>Aggravated Robbery</p> <ul style="list-style-type: none"> ● Injury to a Child, Elderly or Disabled Individual ● Sexual Assault / Sex Offenses ● Deadly Conduct (Felony) ● Kidnapping, Abduction, and Unlawful Restraint 		
Drug-Related Criminal Activity	<ul style="list-style-type: none"> ● Drug Offense (Manufacture, Distribution, or Possession with Intent to Distribute) 	<ul style="list-style-type: none"> ● Drug Offense (Possession) - (If two or more felony convictions) 	<ul style="list-style-type: none"> ● Driving under the Influence / Driving while Intoxicated (If two or more convictions) ● Drug Offense (Possession) - Felony ● Drug Offense (Possession) - Misdemeanor / Felony within the past six months**
Other*	<ul style="list-style-type: none"> ● Abandoning or Endangering Child ● Arson-related ● Human Trafficking / Human Smuggling 	<ul style="list-style-type: none"> ● Fraud ● Burglary / Breaking and Entering (Felony Only) ● Criminal Mischief / Damage / Property Vandalism (Felony Only) ● Felony Offenses not otherwise on the grid that demonstrate a pattern of illegal behavior (2 or more 	<ul style="list-style-type: none"> ● Trespassing ● Theft/Stolen Property (if two felony convictions or more) ● Unlawful Carrying of a Weapon ● Prostitution (Felony Only) ● Solicitation ● Destruction of Property

		convictions)	
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*Other is defined as the following:

- Criminal Activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity (within a three-block radius); and
- Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of Opportunity Home (including an Opportunity Home employee or an Opportunity Home contractor, subcontractor, or agent).

**HUD requires Opportunity Home to deny assistance if any household member is currently engaged in the use of illegal drugs. Opportunity Home defines currently engaged in as any use of illegal drugs during the previous six months.

3.3.F Criteria for Deciding to Deny Admission

(1) Evidence [24 CFR 982.553(c)]

- (a) Opportunity Home will use the concept of the *preponderance of the evidence* as the standard for making all admission decisions.
 - (i) *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.
 - (ii) Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

(2) Consideration of Circumstances [24 CFR 960.203(c)(3) and (d)]

HUD authorizes Opportunity Home to consider all relevant circumstances when deciding whether to deny assistance based on a family’s past history except in the situations for which denial of assistance is mandated (see Section 3.3.B).

- (a) Opportunity Home will consider the following factors prior to making its decision to deny assistance:
 - (i) The seriousness of the case, especially with respect to how it would affect other residents

- (ii) The effects that denial of assistance may have on other members of the family who were not involved in the action or failure
- (iii) 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 3.3.H) a victim of domestic violence, dating violence, sexual assault, or stalking
- (iv) The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future
- (v) While a record of arrest(s) will not be used as the basis for denial, an arrest may, however, trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, Opportunity Home may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. Opportunity Home may also consider:
 - (A) Any statements made by witnesses or the applicant not included in the police report;
 - (B) Whether criminal charges were filed;
 - (C) Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; and
 - (D) Any other evidence relevant to determining whether or not the applicant engaged in disqualifying activity.
- (vi) Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property.
- (vii) 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
 - (A) Opportunity Home will require the applicant 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.

(3) **Removal of a Family Member's Name from the Application [24 CFR 982.552(c)(2)(ii)]**

HUD permits Opportunity Home to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which results in the denial of assistance, to not reside in the unit.

- (a) As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.
- (b) After admission to the program, the family must present evidence of the former family member's current address upon Opportunity Home's request.

(4) **Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]**

If the family includes a person with disabilities, Opportunity Home's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

- (a) If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, Opportunity Home will determine whether the behavior is related to the disability. If so, upon the family's request, Opportunity Home will determine whether alternative measures are appropriate as a reasonable accommodation.
- (b) Opportunity Home will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodation.

3.3.G Notice of Eligibility or Denial

- (1) If the family is eligible for assistance, Opportunity Home will notify the family when it extends the invitation to attend the voucher briefing appointment, as discussed in Chapter 5.
- (2) If Opportunity Home determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe:
 - (a) the reasons for which assistance has been denied,
 - (b) the family's right to an informal review, and

- (c) the process for obtaining the informal review [24 CFR 982.554(a)].
See Chapter 16 for informal review policies and procedures.

(3) The family will be notified of a decision to deny assistance in writing within 10 business days of the determination.

(4) **Criminal Record or Sex Offender Registration Information as the Basis of a Denial**

- (a) If Opportunity Home uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before Opportunity Home can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)].

- (i) If based on a criminal record or sex offender registration information, an applicant family appears to be ineligible, Opportunity Home will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record.

- (b) Opportunity Home must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with program requirements [24 CFR 982.553(d)].

- (i) The family will be given 10 business days to dispute the accuracy and relevance of the information.
- (ii) If the family does not contact Opportunity Home to dispute the information within that 10-day period, Opportunity Home will proceed with issuing the notice of denial of admission.
- (iii) A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice requirements related to denying assistance to noncitizens are contained in Section 3.2.B. Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, sexual assault, or stalking are contained in Section 3.3.H.

3.3.H Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking

- (1) The Violence Against Women Reauthorization Act of 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit Opportunity Home from denying an applicant admission to the HCV program on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.
- (2) **Definitions**
 - (a) The term *affiliated individual* means, with respect to an individual:
 - (i) A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the place of a parent or guardian; or
 - (ii) Any individual, tenant, or lawful occupant living in the household of that individual.
 - (b) The term *domestic violence* includes felony or misdemeanor crimes of violence committed by:
 - (i) A current or former spouse of the victim;
 - (ii) An intimate partner of the victim;
 - (iii) A person with whom the victim shares a child in common;
 - (iv) A person who is cohabitating with or has cohabitated with the victim as a spouse;
 - (v) A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies; or
 - (vi) Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
 - (c) The term *spouse or intimate partner of the victim* includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
 - (d) The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - (i) The length of the relationship

- (ii) The type of relationship
 - (iii) The frequency of interaction between the persons involved in the relationship
 - (e) The term *stalking* means:
 - (i) To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
 - (ii) To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
 - (iii) In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to:
 - (A) That person,
 - (B) A member of the immediate family of that person, or
 - (C) The spouse or intimate partner of that person.
 - (f) The term *immediate family member* means, with respect to a person:
 - (i) A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
 - (ii) Any other person living in the household of that person and related to that person by blood and marriage.
- (3) **Notification [FR 11/16/16]**
- (a) VAWA 2013 expanded notification requirements to include the obligations for Opportunity Home to provide applicants who are denied assistance with a VAWA Notice of Occupancy Rights (HUD-5380) and a domestic violence certification (HUD-5382) at the time the applicant is denied.

- (i) Opportunity Home acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, poor rental history, a record of previous damage to an apartment, a prior arrest record) due to adverse factors that would warrant denial under Opportunity Home's policies.
- (ii) While Opportunity Home is not required to identify whether adverse factors that resulted in the applicant's denial are a result of domestic violence, dating violence, sexual assault, or stalking, the applicant may inform Opportunity Home that their status as a victim is directly related to the grounds for the denial.

Opportunity Home will request that the applicant provide enough information to Opportunity Home to allow Opportunity Home to make an objectively reasonable determination, based on all circumstances, whether the adverse factor is a direct result of their status as a victim.

(iii) Opportunity Home will include in its notice of denial:

- (A) A statement of the protection against denial provided by VAWA (HUD-5380); and
- (B) A copy of the form HUD-5382.

(iv) Opportunity Home will request in writing that an applicant wishing to claim protection under VAWA notify Opportunity Home within 14 business days.

(4) **Documentation**

(a) **Victim Documentation [24 CFR 5.2007] [FR 11/16/16]**

(i) An applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking may provide documentation

- (A) Demonstrating the connection between the abuse and the unfavorable history, and
- (B) Naming the perpetrator of the abuse.

(ii) The documentation may consist of any of the following:

- (A) A completed certification form HUD-5382
- (B) A statement signed by the victim certifying that the information provided is true and correct and that it describes bona fide incident(s) of actual or threatened domestic violence, dating violence, sexual assault, or stalking
- (C) A police or court record documenting the domestic violence, dating violence, sexual assault, or stalking
- (D) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse.

- (1) This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical or other knowledgeable professional.

- (2) The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse.
- (3) The victim must also sign the documentation.

(b) ***Perpetrator Documentation***

- (i) If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:
 - (A) A signed statement:
 - (1) Requesting that the perpetrator be removed from the application, and
 - (2) Certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit.
 - (B) Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment.
 - (1) The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse.
 - (2) The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully.
 - (3) The victim and perpetrator must also sign or attest to the documentation.

(c) **Time Frame for Submitting Documentation**

- (i) The applicant must submit the required documentation with her or his request for an informal review (see Section 16.3.D) within 14 business days or must request an extension in writing at that time.
- (ii) If the applicant so requests, Opportunity Home may grant an extension, and will postpone scheduling the applicant's informal review until after it has received the documentation or the extension period has elapsed.

(iii) If after reviewing the documentation provided by the applicant Opportunity Home determines that the family is eligible for assistance, no informal review will be scheduled and Opportunity Home will proceed with admission of the applicant family.

(5) **Opportunity Home Confidentiality Requirements**

- (a) All information provided to Opportunity Home regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of such violence or stalking:
 - (i) Must be retained in confidence;
 - (ii) May not allow any individual administering assistance on behalf of Opportunity Home or any persons within their employ to have access to confidential information unless explicitly authorized by Opportunity Home for reasons that specifically call for these individuals to have access to this information under Federal, State, or local law; and
 - (iii) May neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure:
 - (A) Is requested or consented to by the individual in writing;
 - (B) Is required for use in an eviction proceeding; or
 - (C) Is otherwise required by applicable law.

Exhibit 3-1: Detailed Definitions Related to Disabilities

Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions.

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

(A) IN GENERAL – The term *developmental disability* means a severe, chronic disability of an individual that-

 - (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - (ii) is manifested before the individual attains age 22;
 - (iii) is likely to continue indefinitely;
 - (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) self-care, (II) receptive and expressive language, (III) learning, (IV) mobility, (V) self-direction, (VI) capacity for independent living, (VII) economic self-sufficiency; and
 - (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) INFANTS AND YOUNG CHILDREN – An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.
- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a

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nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

- (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine
- (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

(2) Major life activities means functions such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

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

(4) Is regarded as having an impairment means:

- (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation
- (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment
- (c) Has none of the impairments defined in paragraph (a) of this section but is treated by a recipient as having such an impairment

Exhibit 3-2: Definition of Institution of Higher Education
[20 U.S.C. 1001 and 1002]

Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]

Institution of Higher Education shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

Definition of “Institution of Higher Education” From 20 U.S.C. 1001

- (a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” means an educational institution in any State that
- (1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
 - (2) Is legally authorized within such State to provide a program of education beyond secondary education;
 - (3) Provides an educational program for which the institution awards a bachelor’s degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;
 - (4) Is a public or other nonprofit institution; and
 - (5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.
- (b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” also includes—
- (1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and
 - (2) A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

Definition of “Institution of Higher Education” From 20 U.S.C. 1002

- (a) Definition of institution of higher education for purposes of student assistance programs

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- (1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term “institution of higher education” for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—
 - (A) A proprietary institution of higher education (as defined in subsection (b) of this section);
 - (B) A postsecondary vocational institution (as defined in subsection (c) of this section); and
 - (C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the United States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.
- (2) Institutions outside the United States
 - (A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the United States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—
 - (i) In the case of a graduate medical school located outside the United States—
 - (I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and
 - (bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or
 - (II) The institution has a clinical training program that was approved by a State as of January 1, 1992; or
 - (ii) In the case of a veterinary school located outside the United States that does not meet the requirements of section 1001(a)(4) of this title, the institution’s students complete their clinical training at an approved veterinary school located in the United States.
 - (B) Advisory panel
 - (i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—
 - (I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and

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- (II) Determine the comparability of those standards to standards for accreditation applied to United States medical schools.
 - (ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.
 - (C) Failure to release information. The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.
 - (D) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.
- (3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—
- (A) Offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title;
 - (B) Enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;
 - (C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or
 - (D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.
- (4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—
- (A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the

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primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 between July 1, 1998, and December 1, 1998; or

- (B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.
 - (5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.
 - (6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.
- (b) Proprietary institution of higher education
- (1) Principal criteria. For the purpose of this section, the term "proprietary institution of higher education" means a school that—
 - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
 - (B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title;
 - (C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title;
 - (D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter;
 - (E) Has been in existence for at least 2 years; and
 - (F) Has at least 10 percent of the school's revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.
 - (2) Additional institutions. The term "proprietary institution of higher education" also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) Postsecondary vocational institution.
- (1) Principal criteria. For the purpose of this section, the term "postsecondary vocational institution" means a school that—
 - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
 - (B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and

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- (C) Has been in existence for at least 2 years.
- (2) Additional institutions. The term “postsecondary vocational institution” also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 4

**APPLICATIONS, WAITING LIST
AND TENANT SELECTION**

Chapter 4: Applications, Waiting List and Tenant Selection

When a family wishes to receive Section 8 HCV assistance, the family must submit an application that provides Opportunity Home with the information needed to determine the family's eligibility. HUD requires Opportunity Home to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, Opportunity Home must select families from the waiting list in accordance with HUD requirements and Opportunity Home policies as stated in the administrative plan and the annual plan.

Opportunity Home is required to adopt a clear approach to accepting applications, placing families on the waiting list, selecting families from the waiting list and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or Opportunity Home to receive preferential treatment. Funding earmarked exclusively for families with particular characteristics may also alter the order in which families are served.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that Opportunity Home affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that Opportunity Home will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

PART 1: The Application Process

This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how Opportunity Home will handle the applications it receives.

PART 2: Managing the Waiting List

This part presents the policies that govern how Opportunity Home's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process Opportunity Home will use to keep the waiting list current.

PART 3: Tenant Selection

This part describes the policies that guide Opportunity Home in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that Opportunity Home has the information needed to make a final eligibility determination.

4.1 The Application Process

4.1.A Overview

- (1) This part describes the policies that guide Opportunity Home’s efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes Opportunity Home’s obligations to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).
- (2) The policy of Opportunity Home is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, are treated in a fair and consistent manner. The primary purpose of the intake functions is to gather information about the family, but Opportunity Home will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.
- (3) The purpose of application is to permit Opportunity Home to gather information and determine placement on the waiting list. The pre-application will contain questions designed to obtain pertinent program information.
- (4) Families who wish to apply for any one of Opportunity Home’s programs are strongly encouraged to register via the online registration system on the Opportunity Home website. Alternative registration methods will remain available to applicants with special needs.

4.1.B Applying for Assistance [HCV GB, pp. 4-11 – 4-16]

- (1) Any family that wishes to receive HCV assistance must apply for admission to the program.
- (2) HUD permits Opportunity Home to determine the format and content of HCV applications, as well as how such applications will be made available to interested families and how Opportunity Home will accept applications.
 - (a) All persons who wish to apply for any of the Opportunity Home housing assistance programs are encouraged to register via the online registration system on the Opportunity Home website.
 - (b) Alternative registration methods will remain available to applicants with special needs.

4.1.C Accessibility of the Application Process

(1) **Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]**

- (a) Opportunity Home must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard Opportunity Home application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP).
- (b) Opportunity Home must provide reasonable accommodation to the needs of individuals with disabilities.
- (c) The pre-application process must be fully accessible, or Opportunity Home must provide an alternate approach that provides full access to the pre-application process.

Chapter 2 provides a full discussion of Opportunity Home’s policies related to providing reasonable accommodations for people with disabilities.

(2) **Limited English Proficiency**

Opportunity Home is required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1].

- (a) Persons with special needs requiring assistance to register for the programs with Opportunity Home will have alternative methods available to them as follows.
- (b) **Initial Re-opening of the Waiting List**
 - (i) During an initial period of re-opening the waiting list, individuals may contact the housing application assistance line (dedicated toll free number).
 - (ii) The timeframe of the “initial period” and the telephone number of the assistance line will be identified in the public notice announcing the re-opening of the waiting list.
 - (iii) Alternative methods of registration will be provided as follows:
 - (A) *Assistance in Completing the Online Pre-application* - Personal appointments will be scheduled to provide hands-on assistance in completing the online pre-application.
 - (B) *Phone Interview* - Phone interviews will be conducted to assist individuals with special needs completing the online

pre-application. Once completed, a confirmation of completion will be mailed to the individual.

- (iv) After the initial period of re-opening the waiting list, the housing application assistance line will provide recorded instructions for an additional 30 days advising individuals to contact the Housing Authority for further assistance.
- (v) In addition, a phone interview will be available upon request to applicants with special needs.

Chapter 2 provides a full discussion on Opportunity Home's policies related to ensuring access to people with limited English proficiency (LEP).

4.1.D Placement on the Waiting List

- (1) Placement on the waiting list does not indicate that the family is in fact eligible for assistance.
- (2) A determination of eligibility will be made when the family is selected from the waiting list.

4.2 Managing the Waiting List

4.2.A Overview

- (1) Opportunity Home must have policies regarding various aspects of organizing and managing the waiting list of applicant families, such as:
 - (a) opening the list to new applicants;
 - (b) closing the list to new applicants;
 - (c) notifying the public of waiting list openings and closings;
 - (d) updating waiting list information;
 - (e) purging the list of families that are no longer interested in or eligible for assistance; and
 - (f) conducting outreach to ensure a sufficient number of applicants.
- (2) In addition, HUD imposes requirements on how Opportunity Home may structure its waiting list and how applicants must be treated if they apply for assistance from a PHA such as Opportunity Home that administers more than one assisted housing program.

4.2.B Organization of the Waiting List [24 CFR 982.204 (b) and 205]

- (1) Opportunity Home's HCV waiting list must be organized in such a manner to allow Opportunity Home to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.
- (2) The waiting list must contain the following information for each applicant listed:
 - (a) Applicant name;
 - (b) Applicant contact information;
 - (c) Total applicant household members;
 - (d) Qualification for any local preferences(s); and
 - (e) Racial or ethnic designation of the head of household.
- (3) HUD requires Opportunity Home to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Opportunity Home is permitted, but not required, to maintain a separate waiting list for each county or municipality served.

(a) Opportunity Home will maintain a single waiting list for tenant-based vouchers.

- (b) Opportunity Home will maintain a separate waiting list for the Project-Based Voucher program and a separate waiting list for the Moderate Rehabilitation program.
- (4) HUD directs that if a family applies for assistance for the HCV program they must be offered the opportunity to be placed on the waiting list after selection from the registration list for any public housing, MTW Local project-based voucher or moderate rehabilitation program Opportunity Home operates if
 - (a) the other programs' waiting lists are open, and
 - (b) the family is qualified for the other programs.
- (5) HUD permits, but does not require, Opportunity Home to maintain a single merged waiting list for its public housing, Section 8, and other subsidized housing programs.
 - (a) Opportunity Home will not merge the HCV waiting list with the waiting list for any other program Opportunity Home operates.
- (6) A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

4.2.C Opening and Closing the Waiting List [24 CFR 982.206]

(1) Closing the Waiting List

- (a) Opportunity Home is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance.

- (i) Opportunity Home will close the waiting list for one or more Assisted Housing Programs when Opportunity Home determines the waiting list for the program has reached a sufficient number of eligible applicants.

- (b) Opportunity Home may elect to continue to accept applications only from local preferences or certain targeted funding criteria.

(2) Reopening the Waiting List

- (a) If the waiting list has been closed, it cannot be reopened until Opportunity Home publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets.

(b) The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

- (3) Any temporary closing and reopening of any waiting list for programs in the Assisted Housing Programs will be done via the online application.
- (4) Opportunity Home will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted.
- (5) Opportunity Home will give public notice by publishing the relevant information in suitable media outlets.
- (6) The waiting list may be reopened for a designated period of time as specified in the public notice, during which time all applications will be received through the online application. All applications submitted are assigned a random number up to 15,000 and are then selected for placement on the waiting list.
 - (a) Opportunity Home will notify applicants by either mail or email of their application being selected or not selected for the waiting list.
- (7) Applications selected for the waiting list through the lottery drawing will be placed on the waiting list in the following order:
 - (a) Highest combined preference points for preferences claimed.
 - (b) Lowest randomly assigned lottery number.

See figure 4.1, in which five applicants are listed in the order they will be ranked on the waiting list.

Figure 4.1 Waiting List Placement Example

Applicant	Preference Points	Lottery Number
Applicant 1	100	251
Applicant 2	100	499
Applicant 3	80	1190
Applicant 4	80	2753
Applicant 5	40	55
Applicant 6	10	1189
Applicant 7	10	2754
Applicant 8	10	2756

4.2.D Family Outreach [HCV GB, pp. 4-2 to 4-4]

- (1) Opportunity Home must conduct outreach as necessary to ensure that Opportunity Home has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

- (2) Opportunity Home will monitor the characteristics of the population being served and the characteristics of the population as a whole in Opportunity Home's jurisdiction.
- (3) Because HUD requires Opportunity Home to serve a specified percentage of extremely low income families (see Chapter 4, Part III), Opportunity Home may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].
- (4) Opportunity Home outreach efforts must comply with fair housing requirements. This includes:
 - (a) Analyzing the housing market area and the populations currently being served to identify underserved populations;
 - (b) Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program; and
 - (c) Avoiding outreach efforts that prefer or exclude people who are members of a protected class.
- (5) Opportunity Home outreach efforts must be designed to inform qualified families about the availability of units under the program. These efforts may include, as needed, any of the following activities:
 - (a) Submitting press releases to local newspapers, including minority newspapers;
 - (b) Developing informational materials and flyers to distribute to other agencies;
 - (c) Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities.

4.2.E Reporting Changes in Family Circumstances

- (1) While the family is on the waiting list, they are required to update any changes in contact information, including names, address, phone number, and family size.
- (2) Notification of changes must be completed through the applicant portal located on the Opportunity Home website.

4.2.F Updating the Waiting List [24 CFR 982.204 (c)]

- (1) HUD requires Opportunity Home to establish policies to use when removing applicant names from the waiting list.

(2) **Purging the Waiting List**

- (a) The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation.
- (b) If the applicant did not respond to Opportunity Home's request for information or updates because of the family member's disability, Opportunity Home must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].
- (c) Opportunity Home may periodically send notices to applicants on the waiting list to determine their continued interest in the program.
 - (i) If the notice is sent via mail, it will be sent to the last mailing address listed on the online application.
 - (ii) The notice will provide instructions on how the family must confirm their continued interest in the program.
 - (iii) The notice will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the Section 8 waiting lists.
- (d) The family's response must be in the method indicated in the notice and must be received by Opportunity Home on or before the deadline stated in the notice unless a request for an accommodation has been requested by the family prior to the deadline. If the family fails to respond by the deadline, the family will be removed from the waiting list.
- (e) If a notice is sent via mail and returned by the post office, the applicant will be removed from the waiting list.
- (f) If a family is removed from the waiting list for failure to respond, the Director or designee may reinstate the family if it is determined that the lack of response was due to Opportunity Home's error, circumstances beyond the family's control, or as a reasonable accommodation.

4.3 Selection For HCV Assistance

4.3.A Overview

- (1) As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.
- (2) The order in which families receive assistance from the waiting list depends on the selection method chosen by Opportunity Home and is impacted in part by any selection preferences that the family qualifies for. The source of HCV funding also may affect the order in which families are selected from the waiting list.
- (3) Opportunity Home must maintain a clear record of all information required to verify that the family is selected from the waiting list according to Opportunity Home's selection policies [24 CFR 982.204(b) and 982.207(e)].

4.3.B Selection and HCV Funding Sources

(1) **Special Admissions [24 CFR 982.203]**

HUD may award local preference funding for specifically-named families living in specified types of units through special admissions.

- (a) In these cases, Opportunity Home may admit families that are not on the waiting list, or without considering the family's position on the waiting list.
- (b) Opportunity Home must maintain records showing that such families were admitted with special program funding.
- (c) Applicants who are admitted under Special Admissions rather than from the Waiting List are identified by codes in the automated system and are not maintained on separate lists.
- (d) The following are examples of types of program funding that may be targeted for a family living in a specified unit:
 - (i) A family displaced because of demolition or disposition of a public housing project;
 - (ii) A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
 - (iii) A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
 - (iv) A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

(2) **Targeted Funding [24 CFR 982.204(e)]**

- (a) HUD may award Opportunity Home funding for a specified category of families on the waiting list.
 - (i) Opportunity Home must use this funding only to assist the families within the specified category.
 - (ii) Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4.3.C.
- (b) Opportunity Home administers the following types of targeted funding:
 - (i) Moderate-Rehabilitation (Mod-Rehab)
 - (ii) 5-Year Mainstream for Persons with Disabilities
 - (iii) Veterans Affairs Supportive Housing (VASH)

4.3.C Selection Method

- (1) Opportunity Home must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that Opportunity Home will use [982.202(d)].
- (2) **Local Preferences [24 CFR 982.207; HCV p. 4-16]**
 - (a) Opportunity Home is permitted to establish local preferences, and to give priority to serving families that meet those criteria.
 - (b) HUD specifically authorizes and places restrictions on certain types of local preferences.
 - (c) HUD also permits Opportunity Home to establish other local preferences, at its discretion.
 - (d) Any local preferences established must be consistent with Opportunity Home's plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.
 - (e) Preferences may be verified prior to selection but must be verified by time of selection from the waiting list. If a selected preference cannot be verified by Opportunity Home at the time the applicant is selected from the waiting list, the applicant will be returned to the waiting list in the order they would have been ranked had the preference not been selected.

(f) **Waiting List Preferences**

Opportunity Home’s waiting list preferences are defined below and shall be assigned points as indicated. Opportunity Home will accept applications from preference applicants even when the waiting list may otherwise be closed. Applicants who qualify for a preference will not be required to complete the online registration but will be placed directly on the waiting list in order of total combined preference points.

- (i) **Homeless Referrals (100 Points)** – Families certified by a designated social service agency as homeless and referred to Opportunity Home under the terms and conditions of a Memorandum of Agreement with the certifying social service agency, such as Haven for Hope, San Antonio Metropolitan Ministries, and the Center for Health Care Services.
- (ii) **Move On Referral (100 Points)** – Families currently residing in Permanent Supportive Housing (PSH) and certified as no longer requiring supportive services by a designated PSH provider currently partnered with Opportunity Home.
- (iii) **College & University Homeless Assistance Program (75 Points)** – Homeless students referred by any of the Alamo Community Colleges who are currently enrolled in at least six credit hours in a degree or certificate program.
- (iv) **5-Year Mainstream Participants (75 Points)** – 238 applicant families on the tenant-based voucher waiting list, who have a household member between the ages of 18 and 61 with a disability, will be certified and referred by a designated social service agency currently partnered with Opportunity Home.
- (v) **Foster Youth to Independence (FYI) Referral (75 Points)** – Youth between the ages of 18 and 24 with a current or prior history of child welfare involvement referred by a partnering public child welfare agency.
- (vi) **Opportunity Home Program Displacement (70 Points)** –
 - (A) Participants in “good standing” at an Opportunity Home public housing community or an Opportunity Home housing assistance program who will be displaced through no fault of their own; or
 - (B) Participants in the Project-Based Voucher program who require an emergency transfer through Violence Against

Women Reauthorization Act of 2013 procedures [24 CFR 983.261].

(vii) **Voucher Program Return (40 Points)** – Former participants under the tenant based Housing Choice Voucher Program whose assistance was terminated because Opportunity Home did not have sufficient federal funding to continue to provide rental assistance.

(viii) **Local Non-Traditional (LNT) Referral Program (40 Points)** - Residents referred by Opportunity Home or a partner agency will receive a voucher for Local Non-Traditional communities.

(3) **Income Targeting Requirement [24 CFR 982.201(b)(2)]**

(a) HUD requires that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during Opportunity Home’s fiscal year. ELI families are those with annual incomes at or below 30 percent of the area median income. To ensure this requirement is met, Opportunity Home may skip non-ELI families on the waiting list in order to select an ELI family.

(i) Opportunity Home will monitor progress in meeting the ELI requirement throughout the fiscal year.

(ii) ELI families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

(b) Low income families admitted to the program that are “continuously assisted” under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

4.3.D Notification of Selection

(1) When a family has been selected from the waiting list, Opportunity Home must notify the family in writing [24 CFR 982.554(a)].

- (a) Opportunity Home will notify the family by first class mail when they are selected from the waiting list. The notice will inform the family of the following:
 - (i) Notification of the scheduled appointment or notification to contact Opportunity Home for an appointment to determine eligibility or instructions to complete eligibility via mail, including any procedures for rescheduling the appointment;
 - (ii) Persons required to attend the interview or submit documents through mail;
 - (iii) Documents that must be provided to Opportunity Home to document the legal identity of household members, including information about what constitutes acceptable documentation; and
 - (iv) Documents that must be provided to Opportunity Home to document the legal identity of household members, including information about what constitutes acceptable documentation; and
 - (v) Other documents and information that should be submitted.
- (b) If a notification letter is returned to Opportunity Home by the post office, the family will be removed from the waiting list.
- (c) If a family wishes to remove one or more preferences from their application before their eligibility interview, the family must submit an Application Preference Removal Form to Opportunity Home to be placed on the waiting list in the order the family would have been ranked had the preference not been selected. If the family does not submit an Application Preference Removal Form, Opportunity Home will conduct the eligibility interview as scheduled.

4.3.E The Application Interview

- (1) HUD recommends that Opportunity Home obtain the information and documentation needed to make an eligibility determination through an interview and briefing process [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.
- (2) Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if Opportunity Home determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by Opportunity Home [Notice PIH 2018-24].

- (a) Opportunity Home will not allow an applicant family to retain its place on the waiting list if it fails to meet SSN documentation requirements at the time eligibility is determined.
- (3) Reasonable accommodation will be made for persons with disabilities or persons who require other assistance.
- (4) Families selected from the waiting list are required to participate in an eligibility interview or complete an eligibility packet through mail.
 - (5) If the family is required to attend an eligibility interview, the following requirements apply:
 - (a) All adult (age 18 and over) household members are required to attend the interview and full application process.
 - (b) If the family is unable to attend a scheduled interview, the family should contact Opportunity Home in advance of the interview to schedule a new appointment.
 - (c) If a family does not attend a scheduled interview, the family has 10 business days to contact Opportunity Home to schedule a second appointment.
 - (d) Applicants who fail to attend both scheduled interviews will be denied assistance based on the family's failure to supply information to determine eligibility and removed from the waiting list. A denial notice will be issued in accordance with policies contained in Chapter 3.
 - (6) **Documentation Requirements**
 - (a) Eligibility will be conducted only if all adult family members provide appropriate documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained or the family must provide the documents through mail or email as soon as possible.
 - (b) The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, Opportunity Home will provide the family with a written list of items that must be submitted by a specified date.
 - (c) Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission

deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status).

- (d) If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.
 - (e) If the required documents and information are not provided within the required time frame, including any extensions, the family will be sent a notice of denial in accordance with the policies in Chapter 3.
 - (f) If a family selected one or more preferences that Opportunity Home cannot verify at the time of selection, the family will be required to submit an Application Preference Removal Form to Opportunity Home within 10 business days of the interview to be placed on the waiting list in the order the family would have been ranked had the preference not been selected (see 4.3.C).
- (7) Eligibility will be conducted in English.
- (a) An advocate, interpreter, or other assistant may assist the family with the application and the interview process.
 - (b) For limited English proficient (LEP) applicants, Opportunity Home will provide translation services in accordance with Opportunity Home's LEP guidelines.

4.3.F Completing the Application Process

- (1) Opportunity Home must verify all information provided by the family (see Chapter 7).
- (2) Based on verified information, Opportunity Home must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted admission, or selection preference that affected the order in which the family was selected from the waiting list.
- (3) If Opportunity Home determines that the family is ineligible, Opportunity Home will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).



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HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

CHAPTER 5

BRIEFINGS AND VOUCHER ISSUANCE

Chapter 5: Briefings and Voucher Issuance

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, Opportunity Home must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing written documentation of information the family needs to know.

Once the family is fully informed of the program's requirements, Opportunity Home issues the family a voucher. The voucher includes the unit size the family qualifies for based on Opportunity Home's subsidy standards, as well as the dates of issuance and expiration of the voucher. The voucher is the document that permits the family to begin its search for a unit, and limits the amount of time the family has to successfully locate an acceptable unit.

This chapter describes HUD regulations and Opportunity Home policies related to these topics in two parts:

PART 1: Briefings and Family Obligations

This part details the program's requirements for briefing families orally, and for providing written materials describing the program and its requirements. It includes a particular focus on the family's obligations under the program.

PART 2: Subsidy Standards and Voucher Issuance

This part discusses Opportunity Home's standards for determining how many bedrooms a family of a given composition qualifies for, which in turn affects the amount of subsidy the family can receive. It also discusses the policies that dictate how vouchers are issued, and how long families have to locate a unit.

5.1 Briefings and Family Obligations

5.1.A Overview

- (1) HUD regulations require Opportunity Home to conduct mandatory briefings for applicant families. The briefing provides a broad description of owner and family responsibilities, explains Opportunity Home's procedures, and includes instructions on how to lease a unit. This part describes how oral briefings will be conducted, specifies what written information will be provided to families, and lists the family's obligations under the program.

5.1.B Briefing [24 CFR 982.301]

- (1) Opportunity Home must give the family an oral briefing and provide the family with a briefing packet containing written information about the program.
 - (a) Families may be briefed individually or in groups.
 - (i) Briefings will be conducted in individual or group meetings.
 - (ii) Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, Opportunity Home may approve another adult family member to attend the briefing.
 - (iii) Families that attend group briefings and still need individual assistance will be referred to an appropriate Opportunity Home staff person.
 - (b) At the briefing, Opportunity Home must ensure effective communication in accordance with Section 504 requirements (Section 504 of the Rehabilitation Act of 1973), and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to Chapter 2.
 - (c) Briefings will be conducted in English. For limited English proficient (LEP) applicants, Opportunity Home will provide translation services in accordance with the Opportunity Home's LEP plan (See Chapter 2).
- (2) **Notification and Attendance**
 - (a) Families will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will include:
 - (i) who is required to attend the briefing, and
 - (ii) the date and time of the scheduled briefing.

- (b) If the notice is returned by the post office with no forwarding address, the applicant will be denied and their name will not be placed back on the waiting list.
- (c) If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.
- (d) Applicants who fail to attend a scheduled briefing will be automatically scheduled for another briefing.
 - (i) Opportunity Home will notify the family of the date and time of the second scheduled briefing.
 - (ii) Applicants who fail to attend two scheduled briefings without Opportunity Home approval will be denied assistance (see Chapter 3).

(3) **Oral Briefing [24 CFR 982.301(a)]**

- (a) Each briefing must provide information on the following subjects:
 - (i) How the Housing Choice Voucher Program works;
 - (ii) Family and owner responsibilities;
 - (iii) Where the family can lease a unit, including renting a unit inside or outside Opportunity Home's jurisdiction;
 - (iv) An explanation of how portability works is required for all families.
 - (A) Opportunity Home may not discourage the family from choosing to live anywhere in Opportunity Home jurisdiction or outside Opportunity Home jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order.
 - (B) Opportunity Home must inform the family of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance.
 - (v) The advantages of areas that do not have a high concentration of low-income families is required for all families; and
 - (vi) For families receiving welfare-to-work vouchers, a description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

(vii) In briefing a family that includes a person with disabilities, Opportunity Home must also take steps to ensure effective communication.

(b) When Opportunity Home-owned units are available for lease, Opportunity Home will inform the family during the oral briefing that the family has the right to select any eligible unit available for lease, and is not obligated to choose an Opportunity Home-owned unit.

(4) **Briefing Packet [24 CFR 982.301(b); HCV GB, Housing Search and Leasing, p. 7]**

(a) Documents and information provided in the briefing packet must include the following:

- (i) The term of the voucher, voucher suspensions, and Opportunity Home's policies on any extensions of the voucher term. If Opportunity Home allows extensions, the packet must explain how the family can request an extension.
- (ii) A description of the method used to calculate the housing assistance payment for a family, including how Opportunity Home determines the payment standard for a family, how Opportunity Home determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- (iii) An explanation of how Opportunity Home determines the maximum allowable rent for an assisted unit.
- (iv) Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process that may affect the family's assistance.
- (v) The HUD-required tenancy addendum, which must be included in the lease.
- (vi) The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval of tenancy.
- (vii) A statement of Opportunity Home policy on providing information about families to prospective owners.
- (viii) Opportunity Home subsidy standards including when and how exceptions are made.
- (ix) Materials (e.g., brochures) on how to select a unit and any additional information on selecting a unit that HUD provides.

- (x) Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form, including information on how to complete the form and file a fair housing complaint.
 - (xi) A list of landlords known to Opportunity Home who may be willing to lease a unit to the family or other resources (e.g., newspapers, organizations, online search tools) known to Opportunity Home that may assist the family in locating a unit. Opportunity Home must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration (e.g., HUD brochure entitled, “A Good Place to Live”).
 - (xii) Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to Opportunity Home.
 - (xiii) The family obligations under the program, including any obligations of a welfare-to-work family, and any obligations of other special programs if the family is participating in one of those programs.
 - (xiv) The grounds on which Opportunity Home may terminate assistance for a participant family because of family action or failure to act.
 - (xv) Opportunity Home’s informal hearing procedures including when Opportunity Home is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
 - (xvi) An explanation of the advantages of moving to an area that does not have a high concentration of low-income families.
- (b) Because Opportunity Home is located in a metropolitan FMR area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)]:
- (i) Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
 - (ii) Information about the characteristics of these areas including job opportunities, schools, transportation, and other services
 - (iii) An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses, and telephone numbers

(5) **Additional Items to be Included in the Briefing Packet**

(a) In addition to the items required by the regulations, Opportunity Home may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7, Notice PIH 2017-12].

(b) Opportunity Home will provide the following additional materials in the briefing packet:

- (i) The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*;
- (ii) Information on how to fill out and file a housing discrimination complaint form;
- (iii) The form HUD-5380 domestic violence certification form and the form HUD-5382 notice of occupancy rights, which contains information on VAWA protections for victims of domestic violence, dating violence, sexual assault, and stalking;
- (iv) The publication *Is Fraud Worth It?* (HUD-1140-OIG) that explains the types of actions a family must avoid and the penalties for program abuse; and
- (v) “Things You Should Know,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2017-12.

5.1.C Family Obligations

- (1) Obligations of the family are described in the housing choice voucher (HCV) regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions.
- (2) Opportunity Home must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet.
- (3) When the family’s unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program.
- (4) Violation of any family obligation may result in termination of assistance, as described in Chapter 12.

(5) **Time Frames for Reporting Changes Required By Family Obligations**

(a) Families are required to respond to an Opportunity Home request, or notify Opportunity Home of a change, within 10 business days of the request or change.

- (i) Families are not required to report increases in earned and unearned income, including new employment.
 - (ii) FSS Participants, EID Participants, Homeownership Participants and Zero-Income Participants are required to report all increases in earned and unearned income within ten (10) business days of the date the change takes effect.
- (b) When a family is required to provide notice to Opportunity Home, the notice must be in writing.

(6) **Family Obligations [24 CFR 982.551; Form HUD-52646, Voucher]**

The family must comply with the obligations listed in Table 5.1 in order to continue participation in the HCV program or related programs.

(a) **Supply Information Necessary for Opportunity Home to Administer the Program**

The family must supply any information that Opportunity Home or HUD determines to be necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 5). “Information” includes any requested certification, release or other documentation.

- (i) The family must submit any requested information to Opportunity Home within 10 business days of Opportunity Home’s request. This time frame for required reporting applies to all family obligations.
- (ii) The family must report to Opportunity Home in writing any decreases in income within 10 business days of the change.

HUD Regulations: 24 CFR § 982.551(b)(1); Voucher, Form HUD-52646(4)(B)(1)
Cross References: Administrative Plan §§ 11.1.B and 11.2.C

(b) **Supply Information to Opportunity Home for Use in Reexaminations**

The family must supply any information requested by Opportunity Home or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

(i) **Interim Reexaminations**

The family must report to Opportunity Home, in writing, any of the following changes of the family’s circumstances, within 10 business days of the date the change took effect:

- (A) Any increase in earned and unearned income for FSS Participants, EID Participants, Homeownership Participants and Zero-Income Participants; and
- (B) Any change of family composition, as stated in 5.1.C(6)(l).

(ii) **Regular Reexaminations**

- (A) Information requested by Opportunity Home includes paperwork that shows proof of all income for your household. Examples of income documentation needed are child support income, unemployment benefits, Social Security, Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), retirement benefits, contributions, and employment income. Some examples of required documentation for income verification include the last 4 paycheck stubs from the date of submission, W2 tax forms, and bank statements.
- (B) The family must attend all reexamination appointments scheduled by Opportunity Home. The family may reschedule an appointment for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Requests to reschedule appointments must be made orally or in writing.
 - (a) “Good cause” is defined as a conflict that seriously affects the health or safety of the family. Such conflicts include hospitalization, illness or other situations that qualify, as determined by Opportunity Home.
 - (b) Opportunity Home will request documentation of the “good cause” reason prior to rescheduling.
 - (c) Requests to reschedule will be considered on a case-by-case basis.

HUD Regulations: 24 CFR § 982.551(b)(2); Voucher, Form HUD-52646(4)(B)(1)
Cross References: Administrative Plan §§ 11.1.B, 11.2.C and 12.1.E

(c) **Supply Social Security Numbers and Consent to Obtain Information**

The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.

HUD Regulations: 24 CFR § 982.551(b)(3); Voucher, Form HUD-52646(4)(B)(2)
Cross References: Administrative Plan §§ 12.1.D, 12.1.E, 17.1.A and 17.1.B

(d) **Supply True and Complete Information**

Any information supplied by the family must be true and complete.

HUD Regulations: 24 CFR § 982.551(b)(4), Voucher, Form HUD-52646(4)(C)
Cross References: Administrative Plan §§ 3.3.C, 12.1.E and 14.1.A

(e) **Correct Family-caused HQS Deficiencies in the Assisted Unit**

The family is responsible for an HQS breach caused by the family as described in 24 CFR 982.404(b):

- (i) Tenant-paid utilities not in service;
- (ii) Failure to provide or maintain family-supplied appliances; or
- (iii) Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

(A) “Normal wear and tear” is defined as physical deterioration which occurs in the normal course of tenancy, without negligence, carelessness, accident or abuse of the unit or premises by the members of the household or their guests.

HUD Regulations: 24 CFR § 982.551(c)
Cross References: Administrative Plan §§ 8.1.D and 12.1.E

(f) **Allow Opportunity Home to Inspect the Assisted Unit**

The family is responsible for an HQS breach caused by the family as described in 24 CFR 982.404(b):

- (i) Reasonable notice is considered to be not less than 24 hours, except in the case of a life-threatening emergency.
- (ii) In the case of a life-threatening emergency, Opportunity Home will give as much notice as possible, given the nature of the emergency.

HUD Regulations: 24 CFR § 982.551(d); Voucher, Form HUD-52646(4)(B)(5)
Cross References: Administrative Plan §§ 8.2.A and 12.2.E

(g) **Comply with the Lease Requirements**

The family must not commit any serious or repeated violation of the lease.

- (i) Serious or repeated lease violations include:

- (A) Any lease violation that, as stated in the lease, constitutes a default of the lease by the family, regardless of whether the owner has initiated the eviction process;
 - (B) Any violation for which the owner is authorized by Paragraph 8 of the Tenancy Addendum (HUD-52641-A) to terminate the family's tenancy, regardless of whether the owner has initiated the eviction process; or
 - (C) Any violation for which the owner is authorized by 24 CFR § 982.310 to terminate the family's tenancy, regardless of whether the owner has initiated the eviction process.
- (ii) Opportunity Home will determine if a family has committed serious or repeated violations of the lease based on available evidence, including, but not limited to, the following:
- (A) A court-ordered eviction
 - (B) An owner's written notice to vacate provided to the tenant
 - (C) An owner's written notice of lease violations provided to the tenant
 - (D) Police reports
- (iii) Any incidents of, or criminal activity related to, domestic violence, dating violence or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

HUD Regulations: 24 CFR §§ 982.551(e), 982.310; Voucher, Form HUD-52646(4)(D); Tenancy Addendum; Form HUD-52641-A(8)
Cross References: Administrative Plan §§ 9.1.E, 12.1.E, and 12.3.A

(h) **Maintain the Condition of the Assisted Unit**

The family must not damage the unit or premises (other than damage from ordinary wear and tear) or permit any guest to damage the unit or premises.

HUD Regulations: Voucher, Form HUD-52646(4)(D)(7);
Cross References: Administrative Plan §§ 3.3.C, 8.1.D and 12.1.E

(i) **Notify Opportunity Home of Family Move-Out or Lease Termination**

The family must notify Opportunity Home and the owner in writing before the family moves out of the unit, or terminates the lease on notice to the owner.

- (i) The family must provide written notice to the owner of the family's intent to vacate the unit and/or terminate the lease, in accordance with the lease requirements (typically no less than 30 days in advance).
- (ii) The family must provide written notice to Opportunity Home within 10 business days of the written notice to the owner.

HUD Regulations: 24 CFR § 982.551(f); Voucher, Form HUD-52646(4)(B)(6)
Cross References: Administrative Plan §§ 3.1.L, 10.1.A, 12.1.E, 12.2.F, 12.3.C, 13.3.C.

(j) **Notify Opportunity Home of an Eviction**

The family must promptly give Opportunity Home a copy of any owner eviction notice.

- (i) The family must provide Opportunity Home a copy of any owner-issued notice to vacate, or any court-awarded eviction judgment, within 10 business days of the date on the notice or judgment.
- (ii) If the family appeals an eviction judgment, the family must provide Opportunity Home a copy of an appeal bond or other court-issued documentation, indicating that an appeal has been filed, within 10 business days of the date the appeal was filed.

HUD Regulations: 24 CFR § 982.551(g); Voucher, Form HUD-52646(4)(B)(10)
Cross References: Administrative Plan §§ 12.1.D, 12.1.E, 12.3.C, 13.2.C, 14.2.A

(k) **Use the Assisted Unit for the Family's Residence and Only Residence**

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

HUD Regulations: 24 CFR § 982.551(h)(1); Voucher, Form HUD-52646(4)(B)(7);
Tenancy Addendum, Form HUD-52641-A(3)(c)
Cross References: Administrative Plan § 12.1.E

(l) **Obtain Opportunity Home Approval for the Family and Household Composition**

The composition of the assisted family residing in the unit must be approved by Opportunity Home.

- (i) The family must promptly notify Opportunity Home in writing of:
 - (A) the birth of a child,
 - (B) the adoption of a child,

(C) the court-awarded custody of a child, or

(D) the placement of a child by child protective services.

- (ii) The family must request Opportunity Home's approval to add any other family member as an occupant of the unit.
- (iii) No other person (i.e., nobody but members of the assisted family) may reside in the unit (except for an Opportunity Home-approved foster child or live-in aide).

HUD Regulations: 24 CFR § 982.551(h)(2); Voucher, Form HUD-52646 §§ (4)(B)(1),(8) and (9); Tenancy Addendum, Form HUD-52641-A(3)(b) and (c)
Cross References: Administrative Plan §§ 3.1.L, 6.1.B, 11.1.C, 11.2.B, 12.1.E. and 14.2.B

(m) **Notify Opportunity Home if a Family Member No Longer Lives in the Assisted Unit**

The family must promptly notify Opportunity Home in writing if any family member no longer lives in the unit.

- (i) If any household member ceases to reside in the unit, the family must inform Opportunity Home within 10 business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.
- (ii) Generally, an individual who is, or is expected to be, absent from the assisted unit for more than 45 consecutive days is considered permanently absent and no longer a family member.
- (iii) If a live-in aide, foster child or foster adult ceases to reside in the unit, the family must inform Opportunity Home within 10 business days.

HUD Regulations: 24 CFR § 982.551(h)(3); Voucher, Form HUD-52646(4)(B)(10); Tenancy Addendum, Form HUD 52641-A(11)
Cross References: Administrative Plan § 3.1.L, 11.2.B and 12.1.E

(n) **Notify Opportunity Home When the Family is Away From the Assisted Unit**

The family must promptly notify Opportunity Home in writing when the family is away from the unit for an extended period of time in accordance with Opportunity Home policies.

- (i) The family must notify Opportunity Home in writing when all family members will be absent from the unit for an extended period.

- (ii) An extended period is defined as any period greater than 45 consecutive days.
- (iii) Notice to Opportunity Home must be provided within 10 business days of the start of the extended absence.
- (iv) If the family fails to notify Opportunity Home and is found to be absent from the unit for more than 45 consecutive calendar days, the unit will be considered vacated and the family's assistance will be terminated.

HUD Regulations: Voucher, Form HUD-52646(4)(B)(4)
Cross References: Administrative Plan §§ 3.1.L and 12.1.E

(o) **Supply Any Requested Information to Opportunity Home for Verification of Family Occupancy**

- (i) The family must supply any information or certification requested by Opportunity Home to verify that the family is living in the unit, or information related to family absence from the unit, including any Opportunity Home-requested information on the purposes of the family absence.
 - (A) The family must cooperate with Opportunity Home for this purpose.

(B) At any time, Opportunity Home may ask a family to provide evidence that the family resides in the unit or information related to family absence from the unit.

- (ii) The family must promptly notify Opportunity Home of absence from the unit.

HUD Regulations: 24 CFR § 982.551(h)(7)(i); Voucher, Form HUD-52646(4)(B)(3)
Cross References: Administrative Plan §§ 3.1.J and 12.1.E

(p) **Obtain Opportunity Home Approval for Residency of a Foster Child or Live-in Aide**

If Opportunity Home has given approval, a foster child or a live-in aide may reside in the unit.

- (i) Opportunity Home has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when Opportunity Home's consent may be given or denied.

(ii) Opportunity Home will approve one or more live-in aides if needed as a reasonable accommodation to make the program

accessible to and usable by the family member with a disability. See Chapter 2 and § 3.1.M for more information.

- (iii) A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR § 982.401. Foster children will be included in determining unit size only if they will be in the unit for more than six months.

HUD Regulations: 24 CFR § 982.551(h)(4); Voucher, Form HUD-52646(4)(B)(9)
Cross References: Administrative Plan §§ 3.1.K, 3.1.M, 11.2.B, 12.1.E

(q) **Conduct Legal Profit Making Only as a Subordinate Use of the Assisted Unit**

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.

HUD Regulations: 24 CFR § 982.551(h)(5); Tenancy Addendum, Form HUD 52641-A(3)(c)
Cross References: Administrative Plan § 12.1.E

(r) **Do Not Sublease or Let the Unit**

The family must not sublease or let the unit.

- (i) 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.

HUD Regulations: 24 CFR § 982.551(h)(6); Voucher, Form HUD-52646(4)(D)(5); Tenancy Addendum, Form HUD 52641-A(3)(d)
Cross References: Administrative Plan §§ 14.2.B and 12.1.E

(s) **Do Not Assign the Lease or Transfer the Unit**

The family must not assign the lease or transfer the unit.

- (i) A family assigns a lease when the family moves out of the unit and an unauthorized occupant moves in during the term of the lease.

HUD Regulations: 24 CFR § 982.551(h)(7); Voucher, Form HUD-52646(4)(D)(5); Tenancy Addendum, Form HUD 52641-A(3)(d)
Cross References: Administrative Plan §§ 14.2.B and 12.1.E

(t) **Do Not Receive Assistance for a Unit Owned by the Family or in which the Family has an Interest**

The family must not own or have any interest in the unit.

HUD Regulations: 24 CFR § 982.551(h)(7)(j); Voucher, Form HUD-52646(4)(D)(1)
Cross References: Administrative Plan §§ 9.1.D, 14.2.B and 12.1.E

(u) **Do Not Receive Assistance for a Unit Owned by an Unassisted Family Member**

The family must not receive housing assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless Opportunity Home 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.

HUD Regulations: Voucher, Form HUD-52646(4)(D)(8)
Cross References: Administrative Plan §§ 9.1.B, 9.1.D, 14.2.B and 12.1.E

(v) **Do Not Commit Fraud, Bribery, or Corrupt Acts In Connection With the Program**

The family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

- (i) *Fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.
- (ii) The following prohibited actions are considered types of program fraud:
 - (A) Knowingly making a false statement to Opportunity Home.
 - (B) Making payment to the owner, or entering into an agreement with the owner to make payment, in excess of amounts authorized by Opportunity Home for rent, security deposit, and additional services.
 - (C) Offering bribes or illegal gratuities to Opportunity Home's Board of Commissioners, employees, contractors, or other Opportunity Home representatives.
 - (D) Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to Opportunity Home on the family's behalf.

- (E) Using a false name or the use of falsified, forged, or altered documents.
 - (F) Intentionally misreporting of family information or circumstances (e.g. income, family composition).
 - (G) Omitting facts that were obviously known by a family member (e.g., not reporting employment income).
 - (H) Admitting program abuse (by any adult family member).
 - (I) Violation of the following Family Obligations:
 - (1) Use the assisted Unit for the Family's Residence and Only Residence
 - (2) Conduct Legal Profit Making Only as a Subordinate Use of the Assisted Unit
 - (3) Do Not Sublease or Let the Unit
 - (4) Do Not Assign the Lease or Transfer the Unit
 - (5) Do Not Receive Assistance for a Unit Owned by the Family or in which the Family has an Interest
 - (6) Do Not Receive Assistance for a Unit Owned by an Unassisted Family Member
 - (7) Do Not Receive Any Other Federal, State or Local Housing Assistance
- (iii) Opportunity Home may determine other actions to be program fraud based upon preponderance of the evidence.

HUD Regulations: 24 CFR § 982.551(h)(7)(k); Voucher, Form HUD-52646(4)(D)(2)
Cross References: Administrative Plan §§ 12.1.E, 14.1.A and 14.2.B

(w) **Do Not Engage in Criminal Activity Related to Drugs or Violence, or That Is Threatening to Your Neighbors**

The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

HUD Regulations: 24 CFR § 982.551(h)(7)(l); Voucher, Form HUD-52646(4)(D)(4)
Cross References: Administrative Plan §§ 3.3.C, 12.1.E, 12.2.D and 12.2.F

(x) **Do Not Engage in Alcohol Abuse in a Way that Threatens Your Neighbors**

The 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.

HUD Regulations: 24 CFR § 982.551(h)(7)(m); Voucher, Form HUD-52646(4)(D)(9)
Cross References: Administrative Plan §§ 3.3.C, 12.1.E, 12.2.D and 12.2.F

(y) **Do Not Receive Any Other Federal, State or Local Housing Subsidy**

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, State or local housing assistance program.

HUD Regulations: 24 CFR § 982.551(h)(7)(n); Voucher, Form HUD-52646(4)(D)(6)
Cross References: Administrative Plan §§ 12.1.E and 14.2.B

5.2 Subsidy Standards and Voucher Issuance

5.2.A Overview

- (1) Opportunity Home must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.
- (2) This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular family should receive, and the policies that govern making exceptions to those standards.
- (3) Opportunity Home also must establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of that term.

5.2.B Determining Family Unit (Voucher) Size [24 CFR 982.402]

- (1) Opportunity Home must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.
- (2) This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular family should receive, and the policies that govern making exceptions to those standards.
- (3) Opportunity Home also must establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of that term.
 - (a) The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
 - (b) The subsidy standards must be consistent with space requirements under the housing quality standards.
 - (c) The subsidy standards must be applied consistently for all families of like size and composition.
 - (d) A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
 - (e) A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
 - (f) Any live-in aide (approved by Opportunity Home to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;
 - (g) Unless a live-in aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under Opportunity Home subsidy standards.

- (4) Opportunity Home will assign one bedroom per two persons within the household, except in the following circumstances:
 - (a) The head of household and children under age five will be assigned one bedroom.
 - (b) Persons of the opposite sex will be allocated separate bedrooms.
 - (i) Exceptions to this rule include the following:
 - (1) Head of household and spouse;
 - (2) Domestic partnerships; and
 - (3) Children under the age of five.
 - (ii) An individual's sex may be determined by their actual or perceived gender characteristics, regardless of the sex assigned to that person at birth. One's gender identity may not align with the gender identified on an individual's identity documents.
 - (iii) Opportunity Home may maintain voluntary and anonymous reporting of sexual orientation or gender identity for compliance with data collection requirements by state and local governments, or other federal assistance programs so long as information obtained for such reporting has no bearing on eligibility for housing or program participation.
 - (c) Live-in aides will be allocated a separate bedroom. No additional bedrooms are provided for the attendant's family.
 - (d) Single person families will be allocated one bedroom.
 - (e) All children anticipated to reside in a dwelling unit will be included in determining unit size upon submission of supporting documentation. For example, children expected to be born to pregnant women or children whose custody is being obtained by an adult.
 - (f) Adopted children will be included in determining unit size when the family submits supporting documentation.
 - (g) Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- (5) Opportunity Home will reference the following chart in determining the appropriate voucher size for a family:

Voucher Size	Persons in Household	
	Minimum	Maximum
0 Bedroom	1	1

1 Bedroom	1	2
2 Bedroom	2	4
3 Bedroom	3	6
4 Bedroom	4	8
5 Bedroom	6	10
6 Bedroom	8	12

5.2.C Exceptions To Subsidy Standards

- (1) In determining family unit size for a particular family, Opportunity Home may grant an exception to its established subsidy standards if Opportunity Home determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances [24 CFR 982.402(b)(8)]. Reasons may include, but are not limited to:
 - (a) A need for an additional bedroom for medical equipment
 - (b) A need for a separate bedroom for reasons related to a family member’s disability, medical or health condition
- (2) For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero or one bedroom [24 CFR 982.402(b)(8)].
- (3) Opportunity Home will consider granting exceptions for health- or disability-related needs only.
- (4) Requests based on health-related reasons must be verified by a qualified professional as defined in Section 2.2.D. of this Administrative Plan.
- (5) The family’s continued need for an additional bedroom due to special medical equipment must be re-verified at each annual reexamination.
- (6) The family must request any exception to the subsidy standards in writing.
- (7) The request must explain the need or justification for a larger family unit size, and must include appropriate documentation.
- (8) Opportunity Home will notify the family of its determination within 10 business days of receiving the family’s request. If a participant family’s request is denied, the notice will inform the family of their right to request an informal hearing.

5.2.D Voucher Issuance [24 CFR 982.302]

- (1) When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, Opportunity Home issues a Housing Choice Voucher, form HUD-52646.

This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10.

- (2) The voucher:
 - (a) is the family's authorization to search for housing;
 - (b) specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration;
 - (c) contains a brief description of how the program works and explains the family obligations under the program; and
 - (d) is evidence that Opportunity Home has determined the family to be eligible for the program, and that Opportunity Home expects to have money available to subsidize the family if the family finds an approvable unit.
- (3) Opportunity Home does not have any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in Opportunity Home's housing choice voucher program [Voucher, form HUD-52646].
- (4) A voucher can be issued to an applicant family only after:
 - (a) Opportunity Home has determined that the family is eligible for the program based on information received within the 60 days prior to issuance [24 CFR 982.201(e)]; and
 - (b) The family has attended an oral briefing [HCV 8-1].
- (5) Vouchers will be issued to eligible applicants immediately following the mandatory briefing.
- (6) Opportunity Home should have sufficient funds to house an applicant before issuing a voucher.
 - (a) If funds are insufficient to house the family at the top of the waiting list, Opportunity Home must refrain from issuing additional vouchers until it has sufficient funds before it calls another family from the list [HCV GB p. 8-10].

- (b) Prior to issuing any vouchers, Opportunity Home will determine whether it has sufficient funding in accordance with the policies in Section 16.8.

(7) Rescinding Vouchers Due to Insufficient Funding

- (a) If Opportunity Home determines that there is insufficient funding after a voucher has been issued, Opportunity Home may rescind the voucher and place the affected family back on the waiting list.
- (b) If, due to budgetary constraints, Opportunity Home must rescind vouchers that have already been issued to families, Opportunity Home will do so according to the instructions under each of the categories below. Opportunity Home will first rescind vouchers that fall under Category 1. Vouchers in Category 2 will only be rescinded after all vouchers under Category 1 have been rescinded.
 - (i) Category 1: Vouchers for which a Request for Tenancy Approval and proposed lease have not been submitted to Opportunity Home. Vouchers will be rescinded in order of the date they were issued, starting with the most recently issued vouchers.
 - (ii) Category 2: Vouchers for which a Request for Tenancy Approval and proposed lease have been submitted to Opportunity Home. Vouchers will be rescinded in order of the date RTA was submitted to Opportunity Home, starting with the most recently submitted requests.
- (c) Families who have their voucher rescinded will be notified in writing and will be reinstated to their former position on the waiting list. When funding is again available, families will be selected from the waiting list in accordance with Opportunity Home selection policies described in Chapter 4.

5.2.E Voucher Term and Extensions

(1) Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

- (a) The initial voucher term will be 120 calendar days.
- (b) If during the term of the voucher there is a verified change in the family size or composition which makes the family ineligible for the bedroom size on the voucher or which makes the family eligible for a voucher having a greater number of bedrooms, Opportunity Home will

issue a new voucher to include the appropriate bedroom size and extend the voucher for 60 days.

- (c) If the proposed addition of a family member will cause an applicant family to exceed the Federal Income Limits for the revised family size effective during the term of the voucher, Opportunity Home will rescind the voucher and deny admission of the family onto the program. Under such circumstances, to prevent being withdrawn from the waiting list as ineligible due to income limits, the family may either:
 - (i) Withdraw its request to add the additional family member. The family then retains its original voucher (and bedroom size) for the remaining term of that voucher; or
 - (ii) Make other changes to the family composition that would make the family income eligible.

(2) **Extensions of Voucher Term [24 CFR 982.303(b)]**

- (a) Opportunity Home has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that Opportunity Home can approve. Discretionary policies related to extension and expiration of search time must be described in Opportunity Home's administrative plan [24 CFR 982.54].

- (i) A family may submit a written request/statement for an extension of the voucher time period.
- (ii) A request for an extension must be submitted to Opportunity Home within 10 business days of the voucher expiration date.
- (iii) Opportunity Home will grant an extension of the initial voucher term upon the family's request.
 - (A) Opportunity Home may grant additional voucher extensions past 120 days (initial voucher term and first extension) for the following reasons:
 - (1) Reasonable Accommodation for persons with disabilities.
 - (2) The family was prevented from finding a unit due to disability accessibility requirements or large size bedroom unit requirement.

(3) The family was prevented from finding a unit due to hospitalization, family emergency or extraordinary circumstance, as determined by Opportunity Home.

(B) Any request for an additional extension must include the reason(s) an additional extension is necessary. Opportunity Home may require the family to provide documentation to support the request.

(b) Opportunity Home must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

(c) The family must be notified in writing of Opportunity Home's decision to approve or deny an extension.

(d) Opportunity Home will decide whether to approve or deny an extension request within 10 business days of the date the request is received, and will immediately provide the family written notice of its decision.

(e) Opportunity Home's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

(3) **Suspensions of Voucher Term [24 CFR 982.303(c)]**

(a) Opportunity Home must suspend the housing choice voucher term if the family has submitted a Request for Tenancy Approval (RTA) during the voucher term [Federal Register, September 20, 2015]. "Suspension" means stopping the clock on a family's voucher term from the time a family submits the RTA until the time Opportunity Home approves or denies the request [24 CFR 982.4].

(i) If the RTA is voided, Opportunity Home will allow the family to continue searching for a unit with the number of days left on the voucher search time. That search time will be effective beginning from the date the family informed Opportunity Home in writing that the RTA was voided.

(4) **Expiration of Voucher Term**

(a) Once a family's housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program.

(b) If the family still wishes to receive assistance, Opportunity Home may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication.

Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired [HCV GB p. 8-13].

- (i) If an applicant family's voucher term or extension expires before Opportunity Home has approved a tenancy, Opportunity Home will require the family to reapply for assistance.
- (ii) Opportunity Home will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 6

INCOME AND SUBSIDY DETERMINATION

Chapter 6: Income and Subsidy Determination

[24 CFR Part 5, Subparts E and F; 24 CFR 982]

A family's income determines eligibility for assistance and is also used to calculate the family's payment and Opportunity Home's subsidy. Opportunity Home will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and Opportunity Home policies related to these topics in three parts as follows:

PART 1: Annual Income

HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and Opportunity Home policies for calculating annual income are found in Part I.

PART 2: Adjusted Income

Once annual income has been established HUD regulations require Opportunity Home to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and Opportunity Home policies for calculating adjusted income are found in Part II.

PART 3: Calculating Rent

This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining Opportunity Home subsidy and required family payment.

6.1 Annual Income

6.1.A Overview

- (1) The general regulatory definition of annual income shown below is from 24 CFR 5.609.

5.609 Annual Income:

- (a) Annual income means all amounts, monetary or not, which:
 - (i) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - (ii) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - (iii) Which are not specifically excluded in paragraph [5.609(c)].
 - (iv) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

- (2) In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:
 - (a) Annual Income Inclusions (Exhibit 6-1)
 - (b) Annual Income Exclusions (Exhibit 6-2)
 - (c) Treatment of Family Assets (Exhibit 6-3)
 - (d) Earned Income Disallowance for Persons with Disabilities (Exhibit 6-4)
 - (e) The Effect of Welfare Benefit Reduction (Exhibit 6-5) Earned Income Disallowance (Exhibit 6-4)
- (3) Sections 6.1.B and 6.1.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income.
- (4) HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this plan, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D).

Verification requirements for annual income are discussed in Chapter 7.

6.1.B Household Composition and Income

- (1) Income received by all family members must be counted unless specifically excluded by the regulations.
- (2) It is the responsibility of the head of household to report changes in family composition.
- (3) The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(a)(1)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

(4) Temporarily Absent Family Members

- (a) The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

- (i) Generally an individual who is or is expected to be absent from the assisted unit for 45 consecutive days or less is considered temporarily absent and continues to be considered a family member.
- (ii) Generally an individual who is or is expected to be absent from the assisted unit for more than 45 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

(b) **Absent Students**

- (iii) When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to Opportunity Home indicating that the student has established a separate household or the family declares that the student has established a separate household.

(c) **Absences due to Placement in Foster Care**

- (i) Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

- (A) If the family includes a child or children temporarily absent from the home due to placement in foster care, Opportunity Home will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than 90 consecutive days from the date of removal of the child/children, the Voucher size will be reduced.
- (B) If all children are removed from the home permanently, the voucher size will be reduced in accordance with Opportunity Home's subsidy standards.

(d) **Absent Head, Spouse, or Cohead**

- (i) An employed head, spouse, or cohead absent from the unit more than 45 consecutive days due to employment will continue to be considered a family member.

(e) **Family Members Permanently Confined for Medical Reasons**

- (i) If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, Opportunity Home will calculate the income by using the following methodology and use the income figure, which would result in a lower payment by the family:

- (A) If any family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, Opportunity Home will seek advice from a responsible medical professional as to the likelihood and timing of their return.

- (B) If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.
- (C) If the verification indicates that the family member will return in less than 90 consecutive days, the family member will not be considered permanently absent.
- (D) If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with 3.1.L.

(5) Joint Custody of Children

- (a) Children who are subject to a joint custody agreement but live with one parent at least 51 percent of the time will be considered members of the household. "51 percent of the time" is defined as 186 days of the year, which do not have to run consecutively.
- (b) When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents.
- (c) If there is a dispute about which family should claim them, Opportunity Home will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

(6) Caretakers for a Child

If neither a parent nor a designated guardian remains in a household receiving HCV assistance, Opportunity Home will take the following actions:

- (a) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
- (b) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases Opportunity Home will extend the caretaker's status as an eligible visitor.

- (c) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.
- (d) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

6.1.C Anticipating Annual Income

- (1) Opportunity Home is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

- (2) **Basis of Annual Income Projection**

- (a) Opportunity Home generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes Opportunity Home to use other than current circumstances to anticipate income when:
 - (i) An imminent change in circumstances is expected [HCV GB, p. 5-17]
 - (ii) It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
 - (iii) Opportunity Home believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]
- (b) Opportunity Home is required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].
- (c) HUD allows Opportunity Home to use pay-stubs to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where Opportunity Home does not determine it is necessary to obtain additional third-party data.

- (i) When EIV is obtained and the family does not dispute the EIV employer data, Opportunity Home will use current tenant-provided documents to project annual income.
- (ii) When the tenant-provided documents are pay stubs, Opportunity Home will make every effort to obtain the four current and consecutive pay stubs that reflect income received by the family.

The paystubs must be dated within the last 60 days for applicants and the last 120 days for participants according to the most current date: (1) the date received by Opportunity Home, or (2) the date the application was signed. If the participant cannot provide four current pay stubs, Opportunity Home will obtain third-party verification.

- (iii) Opportunity Home will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:
 - (A) If EIV or other UIV data is not available,
 - (B) If the family disputes the accuracy of the EIV employer data, and/or
 - (C) If Opportunity Home determines additional information is needed.
- (iv) In such cases, Opportunity Home will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how Opportunity Home annualized projected income.
- (v) When Opportunity Home cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), Opportunity Home will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.
- (vi) Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to Opportunity Home to show why the historic pattern does not represent the family's anticipated income.
- (vii) **Known Changes in Income**
 - (A) If Opportunity Home verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example

An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case, Opportunity Home would calculate annual income as follows:

$[\$8 \times 40 \text{ hours} \times 7 \text{ weeks}] + [\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks}]$.

- (B) The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases Opportunity Home will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if Opportunity Home’s policy on reexaminations does not require interim reexaminations for other types of changes.
- (C) When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 120 days of the reexamination interview date.
- (D) EIV quarterly wages will not be used to project annual income at an annual or interim reexamination.

6.1.D Earned Income

(1) Types of Earned Income Included in Annual Income

(a) Wages and Related Compensation

(i) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].

(ii) For persons who regularly receive bonuses or commissions, Opportunity Home will verify and then average the reported amounts. If a new employee has not yet received any bonuses or commissions, Opportunity Home will count only the amount estimated by the employer. The file will be documented appropriately.

(iii) Income from temporary job placement agencies/seasonal-income received from temporary and/or seasonal wages should be anticipated as received within the 12

months following admissions, interim and annual reexaminations. Wages earned through temporary agencies should be anticipated for a 12-month period and removed once the job placement has been terminated by the participant. See 11.2.C(4)(d)(vii) for additional information on decreasing temporary income.

- (iv) Wages earned through seasonal job placement should be anticipated for a 12-month period, unless otherwise verified that employment is only for a determined period of time.
- (v) Wages earned by VASH participants from the Compensated Work Therapy (CWT) Program will be included in annual income unless such income is determined to be temporary, nonrecurring or sporadic.

(b) ***Some Types of Military Pay***

- (i) All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

(2) **Types of Earned Income Not Counted in Annual Income**

(a) ***Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]***

- (i) This type of income (including gifts) is not included in annual income.
- (ii) Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days [Notice PIH 2009-19].

(iii) Opportunity Home will apply annual income exclusions as defined by HUD.

(b) ***Children's Earnings***

- (i) Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(c)(1)].

(c) ***Certain Earned Income of Full-Time Students***

- (i) Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)].

- (ii) To be considered “full-time,” a student must be considered “full-time” by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

(d) ***Income of a Live-in Aide***

- (i) Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

(e) ***Income Earned under Certain Federal Programs [24 CFR 5.609(c)(17)]***

- (i) Income from some federal programs is specifically excluded from consideration as income, including:
 - (A) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058);
 - (B) Awards under the federal work-study program (20 U.S.C. 1087 uu);
 - (C) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));
 - (D) Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d)); and
 - (E) Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

(f) ***Special Payee***

When a participant manages income for a non-household-member, the income will be excluded if the participant submits the following:

- (i) documentation of the arrangement (e.g., a notarized statement or an affidavit from the non-household-member or his or her care provider); and
- (ii) documentation showing that the non-household-member has established a residence outside of the participant’s household (e.g., a renter’s agreement, an affidavit or a notarized statement from the owner).

(g) ***State and Local Employment Training Programs***

- (i) Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local

government) and training of a family member as resident management staff are excluded from annual income.

- (ii) Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

- (iii) Opportunity Home 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” [expired Notice PIH 98-2, p. 3].
- (iv) Opportunity Home defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3-4].
- (v) In calculating the incremental difference, Opportunity Home will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.
- (vi) End of participation in a training program must be reported in accordance with Opportunity Home’s interim reporting requirements (see chapter on reexaminations).

(h) **HUD-Funded Training Programs**

- (i) Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income.
- (ii) Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

(iii) To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

(i) **Earned Income Tax Credit**

- (i) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)].
- (ii) Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year.
- (iii) The prorated share of the annual EITC is included in the employee's payroll check.

(j) **Earned Income Disallowance**

- (i) The earned income disallowance is discussed in section 6.1.E below.

6.1.E Earned Income Disallowance [24 CFR 960.255; Streamlining Final Rule (SFR) Federal Register 3/8/16]

- (1) The earned income disallowance (EID) encourages people with disabilities to enter the workforce by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

(a) **Eligibility**

- (i) This disallowance applies only to individuals in families already participating in the HCV program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:
 - (A) Employment of a family member who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
 - (B) Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of

HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].

- (C) New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

(ii) Per MTW Activity “FY2024-1: Elimination of Earned Income Disregard,” Opportunity Home will not disregard earned income for MTW participants using the traditional EID calculation.

(b) Calculation of the Disallowance

- (i) Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member’s current income with his or her “baseline income.”

(ii) Opportunity Home defines prior income, or pre-qualifying income, as the family member’s last certified income prior to qualifying for the EID.

- (iii) The family member’s prior, or prequalifying, income remains constant throughout the period that they are receiving the EID.

(iv) Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.

(v) Initial 12-Month Exclusion

- (A) During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

(B) The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

(vi) **Second 12-Month Exclusion and Phase-In**

- (A) During the second 12-month exclusion period, the exclusion is reduced to at least 50 percent of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.
- (B) During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings.

(vii) **Lifetime Limitation**

- (A) The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.
- (B) During the 24-month eligibility period, the family must report any time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below their pre-qualifying income, when one of the exclusion period ends, and at the end of the lifetime maximum eligibility period).

(c) **Effect of Changes on Currently Participating Families**

- (i) Families eligible for and participating in the disallowance of earned income under this section prior to May 9, 2016 will continue to be governed by this section in effect as it existed immediately prior to that date.

6.1.F Business Income [24 CFR 5.609(b)(2)]

- (1) Annual income includes “the net income from the operation of a business or profession.
 - (a) Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income.
 - (b) An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations.

- (c) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

(2) **Business Expenses**

- (a) Net income is “gross income less business expense” [HCV GB, p. 5-19].

(3) **Business Expansion**

- (a) HUD regulations do not permit Opportunity Home to deduct from gross income expenses for business expansion.

- (i) *Business expansion* is defined as any capital expenditures made
 - (A) to add new business activities,
 - (B) to expand current facilities, or
 - (C) to operate the business in additional locations.
- (ii) For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

(4) **Capital Indebtedness**

- (a) HUD regulations do not permit Opportunity Home to deduct from gross income the amortization of capital indebtedness.

- (i) *Capital indebtedness* is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means Opportunity Home will allow as a business expense interest, but not principal, paid on capital indebtedness.

(5) **Negative Business Income**

- (a) If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

(6) **Withdrawal of Cash or Assets from a Business**

- (a) HUD regulations require Opportunity Home to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

- (i) Acceptable investments in a business include cash loans and contributions of assets or equipment.
- (ii) For example, if a member of a tenant family provided an up-front loan of \$2,000 to help a business get started, Opportunity Home will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

(7) **Co-owned Business**

- (a) If a business is co-owned with someone outside the family, the family must document the share of the business it owns.
- (b) If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

6.1.G Assets [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]

(1) **Overview**

- (a) There is no asset limitation for participation in the HCV program. However, HUD requires that Opportunity Home include in annual income the "interest, dividends, and other net income of any kind from real or personal property" [24 CFR 5.609(b)(3)].
- (b) This section discusses how the income from various types of assets is determined.
- (c) For most types of assets, Opportunity Home must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:
 - (i) How the value of the asset will be determined
 - (ii) How income from the asset will be calculated
- (d) Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of net family assets. This section begins with a discussion of general policies related to assets and then provides HUD rules and Opportunity Home policies related to each type of asset.

See Chapter 7 for optional policies for family self-certification of assets.

(2) **General Policies**

(a) **Income from Assets**

- (i) Opportunity Home generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset.
- (ii) As is true for all sources of income, HUD authorizes Opportunity Home to use other than current circumstances to anticipate income when
 - (A) an imminent change in circumstances is expected;
 - (B) it is not feasible to anticipate a level of income over 12 months; or
 - (C) Opportunity Home believes that past income is the best indicator of anticipated income.
- (iii) For example, if a family member owns real property that typically receives rental income but the property is currently vacant, Opportunity Home can take into consideration past rental income along with the prospects of obtaining a new tenant.

(iv) Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to Opportunity Home to show why the asset income determination does not represent the family's anticipated asset income.

(b) **Valuing Assets**

- (i) The calculation of asset income sometimes requires Opportunity Home to make a distinction between an asset's market value and its cash value.
 - (A) The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account).
 - (B) The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

(1) Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].

(c) **Lump-Sum Receipts**

- (i) Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income.
- (ii) However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs].

For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see Sections 6.1.H and 6.1.I.

(d) **Imputing Income from Assets [24 CFR 5.609(b)(3)]**

- (i) When net family assets are \$5,000 or less, Opportunity Home will include in annual income the actual income anticipated to be derived from the assets.
- (ii) When the family has net family assets in excess of \$5,000, Opportunity Home will include in annual income the greater of:
 - (A) The actual income derived from the assets or
 - (B) The imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by Opportunity Home.

(e) **Determining Actual Anticipated Income from Assets**

It may or may not be necessary for Opportunity Home to use the value of an asset to compute the actual anticipated income from the asset.

- (i) When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value.
- (ii) However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

(f) **Withdrawal of Cash or Liquidation of Investments**

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as

income until the family has received payments equal to the amount the family member deposited into the retirement fund.

(g) **Jointly Owned Assets**

(i) The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes “amounts derived (during the 12-month period) from assets to which any member of the family has access.”

(ii) If an asset is owned by more than one person and any family member has unrestricted access to the asset, Opportunity Home will count the full value of the asset unless the family presents evidence that the asset is not effectively owned by the family member.

(A) A family member has unrestricted access to an asset when they can legally dispose of the asset without the consent of any of the other owners.

(B) An asset is not effectively owned by a family member when

(1) the asset and any income it earns accrue to the benefit of someone else who is not a member of the family and

(2) that other person is responsible for income taxes incurred on income generated by the asset.

(iii) If more than one person, including a family member, owns an asset but the family member does not have unrestricted access to the asset, Opportunity Home will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, Opportunity Home will prorate the asset evenly among all owners.

(H) **Assets Disposed of for Less than Fair Market Value [24 CFR 5.603(B)]**

(i) HUD regulations require Opportunity Home to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

(ii) **Minimum Threshold**

The HCV Guidebook permits Opportunity Home to set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

(A) Opportunity Home will not include the value of assets disposed of for less than fair market value unless the

cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

- (B) When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).
- (C) Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

(i) **Separation or Divorce**

- (i) The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

(ii) All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received.

(iii) In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

(j) **Foreclosure or Bankruptcy**

- (i) Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

(k) **Family Declaration**

(i) Families must report at initial certification and each annual recertification all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value.

(ii) Opportunity Home may verify the value of the assets disposed of if other information available to Opportunity Home does not appear to agree with the information reported by the family.

(3) **Types of Assets**

(a) **Checking and Savings Accounts**

- (i) For regular checking accounts and savings accounts, cash value has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

- (A) In determining the value of a checking account, Opportunity Home will use the current balance.
- (B) In determining the anticipated income from an interest bearing checking or savings account, Opportunity Home will multiply the value of the account by the current rate of interest paid on the account.

(b) **Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds**

- (i) Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested.
- (ii) The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

- (iii) In determining the market value of an investment account, Opportunity Home will use the value of the account on the most recent investment report.

- (iv) How anticipated income from an investment account will be calculated depends on whether the rate of return is known.
- (A) For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings).
- (B) When the anticipated rate of return is not known (e.g., stocks), Opportunity Home will calculate asset income based on the earnings for the most recent reporting period.

(c) **Equity in Real Property or Other Capital Investments**

- (i) Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs

(such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25].

- (ii) In determining the equity, Opportunity Home will determine market value by examining recent sales of at least three properties in the surrounding or similar neighborhood that possess comparable factors that affect market value.
- (iii) Opportunity Home will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, Opportunity Home will use the basic loan balance information to deduct from the market value in the equity calculation.
- (iv) Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:
 - (A) Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
 - (B) The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b), Notice PIH 2012-3]
 - (C) Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB, p. 5-25]
 - (D) Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
 - (E) Interests in Indian Trust lands [24 CFR 5.603(b)]
 - (F) Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]
- (v) Opportunity Home must also deduct from the equity the reasonable costs for converting the asset to cash.
 - (A) Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].
 - (B) For the purposes of calculating expenses to convert to cash for real property, Opportunity Home will use ten percent of the market value of the home.

(vi) A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property.

(A) In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

(B) In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

(vii) In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless Opportunity Home determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

(d) **Trusts**

(i) A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

(ii) *Revocable Trusts*

(A) If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25].

(B) Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

(iii) *Non-revocable Trusts*

(A) In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset.

(B) However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)].

Periodic payments are covered in section 6.1.H. Lump-sum receipts are discussed earlier in this section.

(e) **Retirement/Pension Accounts**

- (i) In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, Opportunity Home must know whether the money is accessible before retirement [HCV GB, p. 5-26].
- (ii) While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].
- (iii) After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.
- (iv) IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

(f) **Personal Property**

- (i) Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc. is considered an asset [HCV GB, p. 5-25].

(A) In determining the value of personal property held as an investment, Opportunity Home will use the family's estimate of the value. Opportunity Home may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

(B) Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

- (ii) Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

(A) Necessary personal property consists of only those items not held as an investment. It may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

(g) **Life Insurance**

- (i) The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value.
- (ii) If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

6.1.H Periodic Payments

- (1) Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.
 - (a) For any family member with a fixed source of income, Opportunity Home may determine that family member's income by means of a streamlined income determination. A streamlined income determination must be conducted by applying the current interest to the previously verified or adjusted income amount.
- (2) **Periodic Payments Included in Annual Income**
 - (a) Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
 - (b) Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]
- (3) **Lump-Sum Payments for the Delayed Start of a Periodic Payment**
 - (a) Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income.

- (b) Additionally, any deferred disability benefits that are received in a lump sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [24 CFR 5.609(c)(14)].

- (i) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.
- (ii) Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.
- (iii) To determine the amount of retroactive tenant rent the family owes as a result of the lump sum receipt, Opportunity Home will calculate
 - (A) Prospectively if the family reported the payment within 10 business days; or
 - (B) Retroactively to the date of receipt if the receipt was not reported within that time frame.

(iv) **Prospective Calculation Methodology**

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

- (A) At the next annual recertification, Opportunity Home will apply the percentage balance to the lump sum and add it to the rest of the annual income.
- (B) At Opportunity Home's option, Opportunity Home may enter into a Repayment Agreement with the family.
- (C) The amount owed by the family is a collectible debt even if the family becomes unassisted.

(v) **Attorney Fees**

- (A) The family's attorney fee may be deducted from the lump sum payments when computing annual income if the attorney's efforts have recovered lump sum compensation,

and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

(4) **Treatment of Overpayment Deductions from Social Security Benefits**

- (a) Opportunity Home may recalculate income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full.
- (b) The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld.
- (c) Regardless of the amount withheld or the length of the withholding period, Opportunity Home must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2018-24].

(5) **Periodic Payments Excluded from Annual Income**

- (a) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone) [24 CFR 5.609(c)(2)].
 - (i) Kinship guardianship assistance payments (Kin-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income [Notice PIH 2012-1].
 - (ii) Opportunity Home will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].
- (b) Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)].
- (c) Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)].
- (d) Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)].
- (e) Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)]. Note: EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.

- (f) Lump sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.H.) [24 CFR 5.609(c)(14)].
- (g) Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) [24 CFR 5.609(c)(14)].

6.1.I Payments in Lieu of Earnings

- (1) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment.
- (2) If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)].

See 6.1.H for a discussion of periodic payments and 6.1.G for a discussion of lump-sum receipts.

6.1.J Welfare Assistance

(1) Overview

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

(2) Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

Opportunity Home must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was a public housing resident at the time the sanction was imposed.

(a) Covered Families

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

(b) **Imputed Income**

- (i) When a welfare agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency program or work activities requirement, Opportunity Home must include in annual income "imputed" welfare income.
 - (A) Opportunity Home must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits.
 - (B) The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.
- (ii) This requirement does not apply to reductions in welfare benefits:
 - (A) at the expiration of the lifetime or other time limit on the payment of welfare benefits,
 - (B) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or
 - (C) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

(c) **Offsets**

- (i) The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed.
- (ii) When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6.1.K Periodic And Determinable Allowances [24 CFR 5.609(b)(7)]

- (1) Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with an assisted family.
- (2) **Alimony and Child Support**
 - (a) Opportunity Home must count alimony or child support amounts awarded as part of a divorce or separation agreement.

- (b) Opportunity Home will count court-awarded amounts for alimony and child support unless Opportunity Home verifies that
 - (i) the payments are not being made, and
 - (ii) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].
- (c) Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

(3) Regular Contributions or Gifts

- (a) Opportunity Home must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a tenant family [24 CFR 5.609(b)(7)].
- (b) Temporary, non-recurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

- (c) Examples of regular contributions include the following:
 - (i) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments),
 - (ii) cash or other liquid assets provided to any family member on a regular basis, and
 - (iii) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.
- (d) Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by Opportunity Home. For contributions that may vary from month to month (e.g., utility payments), Opportunity Home will include an average amount based upon past history.
- (e) Temporary income and gifts for purposes of this exclusion is defined as an income or gift that is neither reliable nor periodic and is not expected to be received for more than 90 days. This exclusion will be reviewed and determined on a case by case basis.
- (f) Opportunity Home will not include in income regular monetary or nonmonetary contributions or gifts provided by Opportunity Home partners.

6.1.L Student Financial Assistance [24 CFR 5.609(b)(9); Notice PIH 2015-21]

In 2005, Congress passed a law (for Section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

(1) Student Financial Assistance Included in Annual Income [24 CFR 5.609(b)(9); FR 4/10/06; Notice PIH 2015-21]

- (a) The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:
 - (i) They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
 - (ii) They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based voucher program, or the moderate rehabilitation program.
 - (iii) They are under 24 years of age **OR** they have no dependent children.
- (b) For students who satisfy these three conditions, any financial assistance in excess of tuition received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.
- (c) To determine annual income in accordance with the above requirements, Opportunity Home will use the definitions of dependent child, institution of higher education, and parents in Section 3-II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:
 - (i) *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplemental Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
 - (ii) *Assistance from private sources* means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
 - (iii) *Tuition and fees* are defined in the same manner in which the Department of Education defines tuition and fees [Notice PIH 2015-21].

- (A) This is the amount of tuition and required fees covering a full academic year most frequently charged to students.
 - (B) The amount represents what a typical student would be charged and may not be the same for all students at an institution.
 - (C) If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.
 - (D) Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees specific to the student's major or program (i.e., nursing program).
 - (E) Expenses related to attending an institution of higher education must not be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed-sum charges.
- (2) **Student Financial Assistance Excluded from Annual Income [24 CFR 5.609(c)(6)]**
- (a) Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:
 - (i) Students residing with parents who are seeking or receiving Section 8 assistance
 - (ii) Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*
 - (iii) Students who are over 23 **AND** have at least one dependent child, as defined in Section 3-II.E
 - (iv) Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

6.1.M Additional Exclusions From Annual Income

Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier in this chapter include the following:

- (1) Reimbursement of medical expenses [24 CFR 5.609(c)(4)]

- (2) Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- (3) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- (4) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- (5) Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- (6) Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- (7) Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- (8) Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
 - (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
 - (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
 - (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
 - (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
 - (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
 - (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
 - (g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
 - (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts

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- (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled Elouise Cobell et al. v. Ken Salazar et al., for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- (o) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spina bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spina bifida
- (q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- (r) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- (s) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- (u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under federal work-study programs or

under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249)

- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013-30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations
- (aa) Distributions from an ABLÉ account, and actual or imputed interest on the ABLÉ account balance.

6.2 Adjusted Income

6.2.A Introduction

(1) Overview

- (a) HUD regulations require Opportunity Home to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income.
- (b) Mandatory deductions are found in 24 CFR 5.611

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (PHA) must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
 - (i) Unreimbursed medical expenses of any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

- (c) This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7, Verifications.

- (d) For MTW participants and new admissions participating in Rent Simplification, there are no expense and allowance deductions (i.e. medical and child care) included in calculation of income.
- (e) For MTW participants and new admissions participating in Rent Simplification, all earnings for each full-time student 18 years or older (except for head of household, spouse or co-head is excluded from household income.

- (f) For MTW participants and new admissions participating in Rent Simplification, all adoption assistance payments are excluded per adopted child.

(2) **Anticipating Expenses**

- (a) Generally, Opportunity Home will use current circumstances to anticipate expenses.
- (b) When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and non-school periods and cyclical medical expenses), Opportunity Home will estimate costs based on historical data and known future costs.
- (c) If a family has an accumulated debt for medical or disability assistance expenses, Opportunity Home will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. Opportunity Home may require the family to provide documentation of payments made in the preceding year.

6.2.B Dependent Deduction

- (1) An allowance of \$480 is deducted from annual income for each dependent [24 CFR 5.611(a)(1)].
- (2) *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6.2.C Elderly or Disabled Family Deduction

- (1) A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)].
- (2) An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

6.2.D Medical Expenses Deduction [24 CFR 5.611(a)(3)(i)]

- (1) Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.
- (2) The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].
- (3) **Definition of Medical Expenses**
 - (a) HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

(b) The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses.

Summary of Allowable Medical Expenses from IRS Publication 502

<ul style="list-style-type: none"> ■ Services of medical professionals ■ Surgery and medical procedures that are necessary, legal, non cosmetic ■ Services of medical facilities ■ Hospitalization, long-term care, and in-home nursing services ■ Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor ■ Improvements to housing directly related to medical needs (e.g., ramps for a wheelchair, handrails) 	<ul style="list-style-type: none"> ■ Substance abuse treatment programs ■ Psychiatric treatment ■ Ambulance services and some costs of transportation related to medical expenses ■ The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) ■ Cost and continuing care of necessary service animals ■ Medical insurance premiums or the cost of a health maintenance organization (HMO)
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Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.

(4) **Families That Qualify for Both Medical and Disability Assistance Expenses**

- (a) This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.
- (b) When expenses anticipated by a family could be defined as either medical or disability assistance expenses, Opportunity Home will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6.2.E Disability Assistance Expenses Deduction [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

- (1) Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they:
 - (a) are necessary to enable a family member 18 years or older to work,
 - (b) are not paid to a family member or reimbursed by an outside source,
 - (c) in combination with any medical expenses, exceed three percent of annual income, and
 - (d) do not exceed the earned income received by the family member who is enabled to work.
- (2) **Earned Income Limit on the Disability Assistance Expense Deduction**
 - (a) A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].
 - (b) The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.
 - (c) The family must identify the family members enabled to work as a result of the disability assistance expenses.
 - (d) In evaluating the family’s request, Opportunity Home will consider factors such as:
 - (i) how the work schedule of the relevant family members relates to the hours of care provided,
 - (ii) the time required for transportation,

- (iii) the relationship of the family members to the person with disabilities, and
- (iv) any special needs of the person with disabilities that might determine which family members are enabled to work.
- (e) When Opportunity Home determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members' incomes.

(3) **Eligible Disability Expenses**

- (a) Examples of auxiliary apparatus are provided in the *HCV Guidebook* as follows: "Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work" [HCV GB, p. 5-30].
- (b) HUD advises Opportunity Home to further define and describe auxiliary apparatus [VG, p. 30].

(c) **Eligible Auxiliary Apparatus**

- (i) Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible.
- (ii) In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense.
- (iii) The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

(d) **Eligible Attendant Care**

- (i) The family determines the type of attendant care that is appropriate for the person with disabilities.
- (ii) Attendant care includes, but is not limited to, reasonable costs for
 - (A) home medical care,
 - (B) nursing services,
 - (C) in-home or center-based care services,

- (D) interpreters for persons with hearing impairments, and
- (E) readers for persons with visual disabilities.
- (iii) Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time.
- (iv) The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.
- (v) If the care attendant also provides other services to the family, Opportunity Home will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

(e) ***Payments to Family Members***

- (i) No disability expenses may be deducted for payments to a member of a tenant family [23 CFR 5.603(b)].
- (ii) However, expenses paid to a relative who is not a member of the tenant family may be deducted if they are reimbursed by an outside source.

(4) **Necessary and Reasonable Expenses**

- (a) The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work.
- (b) The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.
- (c) Opportunity Home determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality.
 - (i) To establish typical costs, Opportunity Home will collect information from organizations that provide services and support to persons with disabilities.

- (ii) A family may present, and Opportunity Home will consider, the family's justification for costs that exceed typical costs in the area.

(5) **Families That Qualify for Both Medical and Disability Assistance Expenses**

- (a) This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.
- (b) When expenses anticipated by a family could be defined as either medical or disability assistance expenses, Opportunity Home will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6.2.F Child Care Expense Deduction

- (1) HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed.
 - (a) The amount deducted shall reflect reasonable charges for child care.
 - (b) In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”
- (2) **Clarifying the Meaning of *Child* for This Deduction**
 - (a) Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household [VG, p. 26].
 - (b) However, child care expenses for foster children that are living in the assisted family's household are included when determining the family's child care expenses.
- (3) **Qualifying for the Deduction**
 - (a) ***Determining Who Is Enabled to Pursue an Eligible Activity***
 - (i) The family must identify the family member(s) enabled to pursue an eligible activity.
 - (ii) The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care

deduction (seeking work, pursuing an education, or being gainfully employed).

- (iii) In evaluating the family's request, Opportunity Home will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, 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.

(b) ***Seeking Work***

- (i) If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination.
- (ii) The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being allowed by Opportunity Home.

(c) ***Furthering Education***

- (i) If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program.
- (ii) The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

(d) ***Being Gainfully Employed***

- (i) If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

(4) **Earned Income Limit on Child Care Expense Deduction**

- (a) When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is

capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

- (b) The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.
- (c) When the person who is enabled to work is a person who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.
- (d) Opportunity Home must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

(e) When the child care expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, Opportunity Home generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

(5) **Eligible Child Care Expenses**

- (a) The type of care to be provided is determined by the tenant family. Opportunity Home may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

(b) **Allowable Child Care Activities**

- (i) For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.
- (ii) The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family’s unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

- (iii) If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, Opportunity Home will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated.
- (iv) Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

(c) ***Necessary and Reasonable Costs***

- (i) Child care expenses will be considered necessary if:
 - (A) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and
 - (B) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

- (ii) Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time.
- (iii) For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.
- (iv) To establish the reasonableness of child care costs, Opportunity Home will use the schedule of child care costs from the local welfare agency. Families may present, and Opportunity Home will consider, justification for costs that exceed typical costs in the area.
- (v) Opportunity Home defines reasonable, and caps the child care expense deduction, as follows:
 - (A) 30 percent of the family's annual income; and
 - (B) the IRS dollar limit for child care expenses:
 - (1) up to \$3,000 annually for one child and
 - (2) up to \$6,000 annually for two or more children.

6.3 Calculating Family Share and Opportunity Home Subsidy

6.3.A Overview of Rent and Subsidy Calculations

(1) **TTP Formula [24 CFR 5.628]**

- (a) HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:
 - (i) 30 percent of the family’s monthly adjusted income (adjusted income is defined in Part II)
 - (ii) 10 percent of the family’s monthly gross income (annual income, as defined in Part I, divided by 12)
 - (iii) The welfare rent (in as-paid states only)
 - (iv) A minimum rent between \$0 and \$50 that is established by Opportunity Home
- (b) Opportunity Home has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6.3.B.
- (c) The amount that a family pays for rent and utilities (the family share) will never be less than the family’s TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.
- (d) **Welfare Rent [24 CFR 5.628]**

Welfare rent does not apply in this locality.

(e) **Minimum Rent [24 CFR 5.630]**

The minimum rent for this locality is \$50.

(f) **MTW Rent Simplification**

- (i) For MTW participants and new admissions, Opportunity Home applies 27.5 percent of the family’s monthly gross income as the family’s TTP, and does not include expense and allowance deductions (i.e., medical and child care) in its calculation.
- (ii) After the TTP is calculated, Opportunity Home calculates the family’s rent portion in accordance with 24 CFR 982.505(b) (see Opportunity Home Subsidy below).
- (iii) **Financial Hardship for MTW Rent Simplification**
 - For MTW participants who experience a rent increase of \$26 or more due to the rent simplification calculation, Opportunity Home will calculate the family’s TTP in

accordance with 24 CFR 5.628 (i.e., non-MTW TTP calculation).

- Participants who are granted a hardship exemption will remain exempt until their rent portion falls below the \$26 threshold.
- Hardship exemptions under this provision will be verified at each annual and interim recertification.

(2) **Family Share [24 CFR 982.305(a)(5)]**

- (a) If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds Opportunity Home's applicable payment standard:
- (i) the family will pay more than the TTP, and
 - (ii) at initial occupancy Opportunity Home may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income.
- (b) The income used for this determination must have been verified no earlier than 90 days before voucher issuance for applicants and no earlier than 120 days before voucher issuance for participants.

For a discussion of the application of payment standards, see Section 6.3.C.

(c) **Next Step Housing Program**

- (i) *Next Step Housing Program* participants will have their rent portion capped at \$100 during their first year in the program.
 - (A) Opportunity Home will cover any remaining tenant rent portion with additional housing assistance payment (HAP).
 - (B) Tenant rent will be calculated as prescribed in MTW Activity FY2014-6 Rent Reform.
- (ii) Opportunity Home will waive the initial 40 percent rent burden rule, which states Opportunity Home may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income.
- (iii) After the first year, youth will have their tenant rent portion calculated as prescribed in MTW Activity FY2014-6: HCV Rent Reform and will not have their portion capped at \$100.

(3) **Zero Income Declaration**

- (a) Rents based on a claim of zero income (i.e. zero income and/or TTP equal to or less than \$0) are limited to six months.
- (b) After six months, zero-income interim rents are recertified and adjusted based on the current household income. However, if zero income is declared by the participant prior to the six-month review date, the zero-income rent will remain.
- (c) Households are required to provide sufficient documentation to support zero income or completion of a Family Expense Summary.
- (d) Households paying rent based on a claim of zero income must report any new income within 10 business days from the day they begin receiving the income.
- (e) Zero income rent will continue as long as the household qualifies for zero income at six-month reexamination.

(4) **Opportunity Home Subsidy [24 CFR 982.505(b)]**

Opportunity Home will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of

- (a) the applicable payment standard for the family minus the family's TTP or
- (b) the gross rent for the family's unit minus the TTP.

For a discussion of the application of payment standards, see Section 6.3.C.

(5) **Utility Reimbursement [24 CFR 982.514(b); 982.514(c)]**

- (a) When Opportunity Home subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits Opportunity Home to pay the reimbursement to the family or directly to the utility provider.
 - (i) If Opportunity Home elects to pay the utility provider directly, Opportunity Home must notify the family of the amount paid to the utility provider.
- (b) Opportunity Home may make all utility reimbursement payments to qualifying families on a monthly basis or may make quarterly payments when the monthly reimbursement amount is \$45.00 or less. Reimbursements must be made once per calendar-year quarter and must be prorated if the family leaves the program in advance of its next quarterly reimbursement. Opportunity Home must also adopt hardship policies for families for whom receiving quarterly reimbursement would create a financial hardship.

- (c) Opportunity Home will make utility reimbursements to the family.
- (d) All utility reimbursement payments will be issued by direct deposit or prepaid debit card.

6.3.B Financial Hardships Affecting Minimum Rent [24 CFR 5.630]

(1) Overview

- (a) If Opportunity Home establishes a minimum rent greater than zero, Opportunity Home must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.
- (b) The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If Opportunity Home determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

(2) HUD-Defined Financial Hardship

Financial hardship includes the following situations:

- (a) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

- (i) A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.
- (ii) For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following:
 - (A) implementation of assistance, if approved, or
 - (B) the decision to deny assistance.
- (iii) A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

- (b) The family would be evicted because it is unable to pay the minimum rent.

(i) For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

(c) Family income has decreased because of changed family circumstances, including the loss of employment.

(d) A death has occurred in the family.

(i) In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

(e) The family has experienced other circumstances determined by Opportunity Home.

(i) Opportunity Home has not established any additional hardship criteria.

(3) **Implementation of Hardship Exemption**

(a) ***Determination of Hardship***

(i) When a family requests a financial hardship exemption, Opportunity Home must suspend the minimum rent requirement beginning the first of the month following the family's request.

(ii) Opportunity Home then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

(A) Opportunity Home defines temporary hardship as a hardship expected to last 90 days or less.

(B) Long term hardship is defined as a hardship expected to last more than 90 days.

(iii) When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption

Assume Opportunity Home has established a minimum rent of \$50

Family Share - No Hardship	Family Share - With Hardship
\$0 30 percent of monthly adjusted income	\$0 30 percent of monthly adjusted income
\$15 10 percent of monthly gross income	\$15 10 percent of monthly gross income
N/A Welfare rent	N/A Welfare rent
\$35 Minimum rent	\$35 Minimum rent
Minimum rent applies. TTP = \$35	Hardship exemption granted. TTP = \$15

(iv) To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing.

(A) The request must explain the nature of the hardship and how the hardship has affected the family’s ability to pay the minimum rent.

(B) Opportunity Home will make the determination of hardship within 30 calendar days.

(b) **No Financial Hardship**

(i) If Opportunity Home determines there is no financial hardship, Opportunity Home will reinstate the minimum rent and require the family to repay the amounts suspended.

(ii) Opportunity Home will require the family to repay the suspended amount within 30 calendar days of Opportunity Home’s notice that a hardship exemption has not been granted.

(c) **Temporary Hardship**

(i) If Opportunity Home determines that a qualifying financial hardship is temporary, Opportunity Home must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family’s request for a hardship exemption.

(ii) At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay Opportunity Home the amounts suspended.

(iii) HUD requires Opportunity Home to offer a reasonable repayment agreement, on terms and conditions established by Opportunity Home

(iv) Opportunity Home will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.

(v) Opportunity Home also may determine that circumstances have changed and the hardship is now a long-term hardship.

(d) **Long-Term Hardship**

(i) If Opportunity Home determines that the financial hardship is long-term, Opportunity Home must exempt the family from the minimum rent requirement for so long as the hardship continues.

(ii) The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship.

(iii) When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

(iv) The hardship period ends when any of the following circumstances apply:

(A) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.

(B) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.

(C) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

6.3.C Applying Payment Standards [24 CFR 982.505; 982.506(b)]

(1) Overview

(a) Opportunity Home's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of Opportunity Home's payment standards. The

establishment and revision of Opportunity Home's payment standard schedule are covered in Chapter 16.

- (b) *Payment standard* is defined as “the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)” [24 CFR 982.4(b)].
- (c) The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under Opportunity Home's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.
- (d) If Opportunity Home has established an exception payment standard for a designated part of an FMR area and a family's unit is located in the exception area, Opportunity Home must use the appropriate payment standard for the exception area.
- (e) Opportunity Home is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.
- (f) If during the term of the HAP contract for a family's unit, the owner lowers the rent, Opportunity Home will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

(2) Changes in Payment Standards

- (a) Payment standards are applied based on the effective date of the re-exam and/or admission rather than the date on which Opportunity Home staff meets with the family.
- (b) The date new payment standards become effective will be set out in the Board Resolution.
 - (i) Generally, new payment standards will be implemented 90 days from the date of the board resolution so that staff has adequate notice to use the correct payment standard and will not have to recalculate HAP calculations for files that have already been worked.
 - (ii) In cases where the Board elects to adopt a payment standard effective date less than 90 days from the date of the board resolution, staff will recalculate tenant rents and provide updated notifications as needed to ensure that correct payment standards were applied (based on effective date of the revised payment standards and the effective date of each family's annual re-exam).

(c) **Decreases**

- (i) If the amount on the payment standard schedule is decreased during the term of the HAP contract, Opportunity Home is not required to reduce the payment standard amount used to calculate the subsidy for the families under HAP contract for as long as the HAP contract remains in effect.
- (ii) Opportunity Home may choose to reduce the payment standard amount for families under HAP contract to the current payment standard amount in effect on the Opportunity Home payment standard schedule, or may reduce the payment standard amount to an amount that is higher than the normally applicable payment standard amount on the Opportunity Home payment standards schedule. Opportunity Home may further reduce the payment standard schedule amount for the families during the term of the HAP contract, provided the subsequent reductions continue to result in a payment standard amount that meets or exceeds the normally applicable payment standard amount on the Opportunity Home voucher payment standard schedule.
- (iii) Opportunity Home must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change.
- (iv) Opportunity Home will administer decreases in the payment standard amount during the term of the HAP contract in accordance with Opportunity Home policy as described in Opportunity Home's Administrative Plan. Opportunity Home may establish different policies for designated areas within their jurisdiction (e.g., for different zip code areas), but Opportunity Home's administrative policy on decreases to payment standards during the term of the HAP contract applies to all families within that designated area. Opportunity Home may not limit or otherwise establish different protections or policies for certain families under HAP contract.
- (v) For families whose payment standard falls outside of the basic range as a result of a decrease in FMRs (including a decrease in FMRs due to the implementation of Small Area FMRs), Opportunity Home will not reduce the payment standard amount for as long as the HAP contract remains in effect.
- (vi) For MTW participants, Opportunity Home will apply the lower payment standard at the next (e.g., move, interim, or annual) reexamination, or as predicated on business need. If application of the lower payment standard results in an increase of the

participant's rent portion, Opportunity Home will provide the participant a 30-day notice of the rental increase.

(d) **Increases**

- (i) If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.
- (ii) Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].

(iii) For MTW participants, Opportunity Home will apply the increased payment standard during processing of any approved requests for rental increases in between triennial recertifications.

(e) **Changes in Family Unit Size**

- (i) Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

(3) **Reasonable Accommodation**

- (a) If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, Opportunity Home is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR without HUD approval.
- (b) If the family requires a payment standard above the basic range as a reasonable accommodation for a family member who is a person with disabilities, Opportunity Home may establish a payment standard greater than 120 percent of the FMR by submitting a request to HUD.

6.3.D Applying Utility Allowances [24 CFR 982.517]

(1) **Overview**

- (a) An Opportunity Home-established utility allowance schedule is used in determining family share and Opportunity Home subsidy.
- (b) The utility allowance for the family must be the lower of
 - (i) The utility allowance amount for the voucher size, or

(ii) The utility allowance amount for the unit size of the unit rented by the family.

(iii) If the utility allowance amount according to the above policy exceeds the number of bedrooms on Opportunity Home's utility allowance schedule, Opportunity Home will use the highest available utility allowance amount.

(c) **MTW Simplified Utility Allowance Schedule**

(i) For MTW participants and new admissions, a simplified (flat) utility allowance schedule will be used to determine the monthly utility reimbursement.

(ii) The flat utility allowance schedule is based on analysis of the HCV portfolio including the most common structure and utility types.

(A) The flat utility allowance schedule is based on bedroom size only with no fluctuation between some utilities being provided and all utilities being provided.

(B) The flat utility allowance for the family must be the lower of

(1) The flat utility allowance amount for the voucher size, or

(2) The flat utility allowance amount for the unit size of the unit rented by the family.

(C) For all-bills-paid units, the flat utility allowance will not be granted in the case of tenant-provided appliances, which are not considered tenant-supplied or -paid utilities.

(iii) For HCV participants who qualify for hardship exemption and who are participants of Special Programs, the existing (non-flat) utility allowance schedule still applies.

See Chapter 5 for information on Opportunity Home's subsidy standards. For policies on establishing and updating utility allowances, see Chapter 16.

(2) **Reasonable Accommodation**

(a) HCV program regulations require Opportunity Home to approve a utility allowance amount higher than shown on Opportunity Home's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, Opportunity Home will approve an allowance for air-conditioning, even if Opportunity Home

has determined that an allowance for air-conditioning generally is not needed.

- (b) The family must request the higher allowance and provide Opportunity Home with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB, p. 18-8].
- (c) In cases where the unit size leased exceeds the family unit size as determined by Opportunity Home subsidy standards as a result of a reasonable accommodation, Opportunity Home must use the appropriate utility allowance schedule for the size of the unit actually leased by the family.

(3) **Utility Allowance Revisions**

- (a) At reexamination, Opportunity Home must use the current utility allowance schedule [HCV GB, p.18-8].

(b) Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination that is effective after the allowance is adopted.

6.3.E Prorated Assistance For Mixed Families [24 CFR 5.520]

- (1) HUD regulations prohibit assistance to ineligible family members. A mixed family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. Opportunity Home must prorate the assistance provided to a mixed family.
- (2) Opportunity Home will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if Opportunity Home's subsidy for a family is calculated at \$500 and two of four family members are ineligible, the subsidy would be reduced to \$250.

Exhibit 6-1: Annual Income Inclusions

24 CFR 5.609

(a) *Annual income means all amounts, monetary or not, which:*

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) *Annual income includes, but is not limited to:*

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions

in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

- (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);
- (6) Welfare assistance payments.
 - (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:
 - (A) Qualify as assistance under the TANF program definition at 45 CFR 260.31[1]; and
 - (B) Are not otherwise excluded under paragraph (c) of this section.
 - (ii) If the welfare assistance payment includes an amount specifically designated for shelter and

utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

- (A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
- (B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
- (7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)
- (9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

HHS DEFINITION OF "ASSISTANCE"

45 CFR: General Temporary Assistance for Needy Families

260.31 What does the term "assistance" mean?

- (a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).
- (2) It includes such benefits even when they are:
 - (i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and
 - (ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).
- (3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and childcare provided to families who are not employed.
- (b) [The definition of "assistance"] excludes: (1) Nonrecurrent, short-term benefits that:
 - (i) Are designed to deal with a specific crisis situation or episode of need;
 - (ii) Are not intended to meet recurrent or ongoing needs; and
 - (iii) Will not extend beyond four months.
- (2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);
- (3) Supportive services such as child care and transportation provided to families who are employed;
- (4) Refundable earned income tax credits;

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- (5) Contributions to, and distributions from, Individual Development Accounts;
- (6) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and
- (7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance

Exhibit 6-2: Annual Income Exclusions

24 CFR 5.609

(c) *Annual income does not include the following:*

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);

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- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]
- (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or prospective monthly amounts.
- (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- (16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

Exhibit 6-3: Treatment of Family Assets

24 CFR 5.603(b) Net Family Assets

- (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- (2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.
- (3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.
- (4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

Exhibit 6-4: Earned Income Disallowance

24 CFR 960.255 Self-sufficiency

incentive–Disallowance of increase in annual income.

- (a) *Definitions.* The following definitions apply for purposes of this section.

Baseline income. The annual income immediately prior to implementation of the disallowance described in paragraph (c)(1) of this section of a person who is a member of a qualified family.

Disallowance. Exclusion from annual income.

Previously unemployed includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Qualified family. A family residing in public housing:

- (i) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- (ii) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- (iii) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for

needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

- (b) *Disallowance of increase in annual income.*

- (1) *Initial twelve month exclusion.* During the 12-month period beginning on the date on which a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the

PHA must exclude from the annual income (as defined in § 5.609 of this title) of a qualified family any increase in the income of the family member as a result of employment over the baseline income of that family member.

- (2) *Phase-in of rent increase.* Upon the expiration of the 12-month period defined in paragraph (b)(1) of this section and for the subsequent 12-month period, the PHA must exclude from the annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.
- (3) *Maximum 2-year disallowance.* The disallowance of increased income of an individual family member as provided in paragraph (b)(1) or (b)(2) of this section is limited to a lifetime 24-month period. It applies for a maximum of 12 months for disallowance under paragraph (b)(1) of this section and a maximum of 12 months for

disallowance under paragraph (b)(2) of this section, during the 24-month period starting from the initial exclusion under paragraph (b)(1) of this section.

- (4) Effect of changes on currently participating families. Families eligible for and participating in the disallowance of earned income under this section prior to May 9, 2016 will continue to be governed by this section in effect as it existed immediately prior to that date.
- (c) *Inapplicability to admission.* The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).
- (d) *Individual Savings Accounts.* As an alternative to the disallowance of increases in income as a result of employment described in paragraph (b) of this section, a PHA may choose to provide for individual savings accounts for public housing residents who pay an income-based rent, in accordance with a written policy, which must include the following provisions:
 - (1) The PHA must advise the family that the savings account option is available;
 - (2) At the option of the family, the PHA must deposit in the savings account the total

amount that would have been included in tenant rent payable to the PHA as a result of increased income that is disallowed in accordance with paragraph (b) of this section;

- (3) Amounts deposited in a savings account may be withdrawn only for the purpose of:
 - (i) Purchasing a home;
 - (ii) Paying education costs of family members;
 - (iii) Moving out of public or assisted housing; or
 - (iv) Paying any other expense authorized by the PHA for the purpose of promoting the economic self-sufficiency of residents of public housing;
- (4) The PHA must maintain the account in an interest bearing investment and must credit the family with the net interest income, and the PHA may not charge a fee for maintaining the account;
- (5) At least annually the PHA must provide the family with a report on the status of the account; and
- (6) If the family moves out of public housing, the PHA shall pay the tenant any balance in the account, minus any amounts owed to the PHA

Exhibit 6-5: The Effect of Welfare Benefit Reduction

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) *Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) *Definitions.* The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a

welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) *Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare

benefits reduction (as specified in information provided to the PHA by the welfare agency).

- (4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed
- (5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) Review of PHA decision.

- (1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.
- (2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in

accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) PHA relation with welfare agency.

- (1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.
- (2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or

CHAPTER 6: INCOME AND SUBSIDY DETERMINATION

hearing on such welfare agency determinations.

- (3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's

normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 7

VERIFICATION

Chapter 7: Verification

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

Opportunity Home must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain the family's consent to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. Opportunity Home must not pass on the cost of verification to the family.

Opportunity Home will follow the verification guidance provided by HUD in PIH Notice 2004-01 Verification Guidance and any subsequent guidance issued by HUD.

This chapter summarizes those requirements and provides supplementary Opportunity Home policies.

PART 1: General Verification Process

PART 2: Family Information

PART 3: Income and Assets

PART 4: 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 Opportunity Home's records management policies.

7.1 General Verification Requirements

7.1.A Family Consent to Release of Information [24 CFR 982.516 and 982.551, 24 CFR 5.230; and Notice PIH 2023-27]

- (1) The family must supply any information that Opportunity Home or HUD determines is necessary to the administration of the program and must consent to Opportunity Home verification of that information [24 CFR 982.551].
- (2) **Consent Forms**
 - (a) All adult applicants and participants sign form HUD-9886-A, Authorization for Release of Information. All adult family members (and the head and spouse/cohead, regardless of age) are required to sign the Form HUD-9886-A at admission.
 - (b) The purpose of form HUD-9886-A 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.
 - (c) HUD and Opportunity Home may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members.
 - (d) Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA).
 - (e) Prior to January 1, 2024, participants signed and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886-A be signed only once. On or after January 1, 2024 (regardless of Opportunity Home's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886-A at their next interim or annual reexamination.
 - (f) This form will only be signed once and will remain effective until the family is denied assistance, assistance is terminated, or the family provides written notification to Opportunity Home to revoke consent. Another Form HUD-9886-A will not be submitted to Opportunity Home except under the following circumstances:
 - (i) When any person 18 years or older becomes a member of the family;
 - (ii) When a current member of the family turns 18; or
 - (iii) As required by HUD or Opportunity Home in administrative instructions.
 - (g) Opportunity Home has the discretion to establish policies around when family members must sign consent forms when they turn 18.

Opportunity Home must establish policies stating when family members will be required to sign consent forms at intervals other than at reexamination.

- (i) Family members turning 18 years of age between annual recertifications will be notified in writing that they are required to sign the required Consent to the Release of Information Form HUD-9886-A at the family's next annual or interim reexamination, whichever is earlier.

(3) **Penalties for Failing to Consent [24 CFR 5.232]**

- (a) If any family member who is required to sign a consent form fails to do so, Opportunity Home must deny admission to applicants and terminate assistance of participants.
- (b) The family may request an informal review (applicants) or informal hearing (participants) in accordance with Opportunity Home procedures. However, this does not apply if the applicant, participant, or any member of their family, revokes their consent with the respect to the ability of Opportunity Home to access financial records from financial institutions, unless Opportunity Home establishes a policy that revocation of consent to access financial records will result in denial or termination of assistance or admission [24 CFR 5.232(c)].
- (c) Opportunity Home may not process interim or annual reexaminations of income without the family's executed consent forms.

- (i) Revocation of consent to access financial records will result in denial of admission or termination of assistance in accordance with Opportunity Home policy.
- (ii) For a family to revoke their consent, the family must provide written notice to Opportunity Home.
- (iii) Opportunity Home will provide the family a notice acknowledging receipt of the request and explain the consequences of revocation of consent. Opportunity Home will notify the local HUD office of the written notice.

7.1.B Overview of Verification Requirements

(1) HUD's Verification Hierarchy

- (a) HUD authorizes Opportunity Home to use five methods to verify family information and specifies the circumstances in which each method will be used.
- (b) In general HUD requires Opportunity Home to use the most reliable form of verification that is available and to document the reasons when Opportunity Home uses a lesser form of verification.
- (c) In order of priority, the forms of verification that Opportunity Home will use are:
 - (i) Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
 - (ii) Up-front Income Verification (UIV) using a non-HUD system
 - (iii) Written Third-Party Verification (may be provided by applicant or participant)
 - (iv) Written Third-party Verification Form
 - (v) Oral Third-party Verification
 - (vi) Self-Certification
- (d) If documents provided by MTW applicants/participants are insufficient or appear altered, Opportunity Home will seek oral third-party verification rather than mailing out the written third-party verification form. This provision does not apply to the verification of expenses.

Each of the verification methods is discussed in subsequent sections below. Exhibit 7-1 at the end of the chapter contains an excerpt from the notice that provides guidance with respect to how each method may be used.

(2) Requirements for Acceptable Documents

- (a) Opportunity Home may accept clear and legible photos or digital scans of original documents, except when required by HUD to accept the original only.
 - (i) Opportunity Home may at any time request the original document for verification.
- (b) The documents must not be damaged, altered or in any way illegible.
- (c) Any documents used for verification in MTW programs must be dated within 90 calendar days for applicants and 120 calendar days for

participants according to the most current date: (1) the date received by Opportunity Home, or (2) the date the application was signed.

- (d) Any documents used for verification in non-MTW programs must be dated within 60 days for applicants and 120 days for participants according to the most current date: (1) the date received by Opportunity Home, or (2) the date the application was signed.
- (e) Printouts from employer websites are considered original documents.
- (f) Any family self-certifications must be made in a format acceptable to Opportunity Home, including but not limited to signed, notarized statements, or a signed Housing Choice Voucher Application or Recertification Application.

(3) File Documentation

- (a) Opportunity Home must document in the file how the figures used in income and rent calculations were determined.
- (b) 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 Opportunity Home has followed all of the verification policies set forth in this plan.
- (c) The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

- (d) Opportunity Home will document the following in the family file:
 - (i) Reported family annual income
 - (ii) Value of assets
 - (iii) Expenses related to deductions from annual income
 - (iv) Other factors influencing the adjusted income or income-based rent determination

- (e) When Opportunity Home is unable to obtain third-party verification, Opportunity Home will document in the family file the reason that third-party verification was not available and will place a photocopy of any original document(s) in the family file. [24 CFR 960.259(c)(1); Notice PIH 2018-18].

7.1.C Up-Front Income Verification (UIV)

- (1) Up-front income verification (UIV) refers to Opportunity Home'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 Opportunity Home.

- (2) 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 Opportunity Home 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 Opportunity Home.

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

- (3) **Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)**

- (a) HUD's EIV system contains data showing earned income, unemployment benefits, Social Security and SSI benefits for participant families.
- (b) HUD requires Opportunity Home to use the EIV system when available. The following policies will apply when Opportunity Home has access to HUD's EIV system.

- (c) **EIV Income and IVT Reports**

- (i) The data shown on income and income validation tool (IVT) reports is updated quarterly. Data may be between three and six months old at the time reports are generated.
- (ii) Opportunity Home will obtain income and IVT reports for all annual and interim reexaminations. Reports will be generated as part of the regular reexamination process.
- (iii) Income and IVT reports will be compared to family-provided information as part of the annual reexamination process.
- (iv) Income and IVT reports may be used in the calculation of annual income, as described in Chapter 6.1.C.
- (v) Income reports may also be used to meet the regulatory requirement for third-party verification, as described above.
- (vi) Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Section 6.1.C. and in this chapter.
- (vii) Family expense summaries will be used in interim reexaminations for families who report zero income.

- (viii) Income and IVT reports, and family expense summaries, will be retained in participant files with the applicable annual or interim reexamination documents.
- (ix) When Opportunity Home determines through EIV 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.

(4) **EIV Income Validation Tool (IVT)**

- (a) The IVT is a report used to identify tenant unreported or underreported income information during interim and regular reexaminations.
 - (i) Data in the IVT represents income for past reporting periods and is updated monthly and provides a comparison between tenant reported income and income information previously reported on the form HUD-50058.
 - (ii) EIV may identify income discrepancies for families who have not concealed or under-reported income, for example, if a family member lost a job or a new family member was added to the household.
 - (iii) Income discrepancies may be identified through use of the “Income Validation Tool” tab in EIV.

- (b) Opportunity Home will verify each family using the Income Validation Tool in EIV at each reexamination.
- (c) When it appears that a family may have concealed or under-reported income, Opportunity Home will request third-party written verification of the income in question.
- (d) When Opportunity Home determines through an audit review and/or 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.

(e) **EIV Identity Verification**

- (i) 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.
- (ii) Opportunity Home is required to use EIV’s *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2018-18].

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

(iv) Opportunity Home will identify participants whose identity verification has failed as part of the annual reexamination process.

(v) Opportunity Home will attempt to resolve discrepancies by obtaining appropriate documentation from the participant. When Opportunity Home determines that discrepancies exist due to Opportunity Home errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

(5) Upfront Income Verification Using Non-HUD Systems

(a) In addition to mandatory use of the EIV system, HUD encourages Opportunity Home to utilize other upfront verification sources.

(b) Opportunity Home will use the following UIV resources during the admission and reexamination process:

(i) HUD's EIV system;

(ii) The Work Number;

(iii) Texas Office of the Attorney General – Child Support Verification Portal; and

(iv) Other UIV systems employed by Opportunity Home, as applicable.

7.1.D Third-Party Written and Oral Verification

(1) HUD's current verification hierarchy defines two types of written third-party verification.

(a) 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 Opportunity Home by the family.

(b) If written third-party verification is not available, Opportunity Home must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

(2) Reasonable Effort and Timing

(a) Unless third-party verification is not required as described below, HUD requires Opportunity Home to make at least two unsuccessful attempts

to obtain third-party verification before using another form of verification [VG, p. 15].

(3) **Written Third-Party Verification [Notice PIH 2018-18]**

- (a) 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:
 - (i) Pay stubs;
 - (ii) Payroll summary reports;
 - (iii) Employer notice or letters of hire and termination;
 - (iv) SSA benefit verification letters, bank statements;
 - (v) Child support payment stubs, welfare benefit letters and/or printouts; and
 - (vi) Unemployment monetary benefit notices.
- (b) Opportunity Home is required to obtain, at a minimum, two current and consecutive pay stubs for determining annual income from wages.

(i) Opportunity Home will make every effort to obtain the four current and consecutive pay stubs that reflect some income received by the family, dated within the last 90 days for applicants and the last 120 days for participants.

- (c) Opportunity Home 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.

(d) Opportunity Home will send third-party verification forms directly to the third party.

(4) **Written Third-Party Verification Form**

- (a) When upfront verification is not available and the family is unable to provide written third-party documents, Opportunity Home 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.
- (b) 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.

(c) Opportunity Home may mail, fax, or email third-party written verification form requests to third-party sources.

(d) If documents provided by MTW applicants/participants are insufficient or appear altered, Opportunity Home will seek oral third-party verification rather than mailing out the written third-party verification form. This provision does not apply to the verification of expenses.

(5) **Oral Third-Party Verification [Notice PIH 2018-18]**

(a) For third-party oral verification, Opportunity Home contacts sources, identified by UIV techniques or by the family, by telephone or in person.

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

(c) 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.

(d) Opportunity Home will 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.

(6) **When Third-Party Verification is Not Required [Notice PIH 2018-18]**

(a) 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.

(b) **Primary Documents**

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

(c) **Imputed Assets**

(i) HUD permits Opportunity Home 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].

(ii) Opportunity Home will determine that third-party verification is not available if the asset or expense involves an insignificant amount, making it not cost-effective or reasonable to obtain third-party verification [VG, p. 15].

(iii) Opportunity Home will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

(d) **Value of Assets and Asset Income [24 CFR 982.516(a)]**

(i) For families with net assets totaling \$5,000 or less, Opportunity Home may accept the family's declaration of asset value and anticipated asset income.

(ii) However, Opportunity Home is required to obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

(iii) For families with net assets totaling \$5,000 or less, Opportunity Home will accept the family's self-certification of the value of family assets and anticipated asset income when applicable.

(iv) The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

(v) Opportunity Home will use third-party documentation for assets as part of the intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.

(vi) Opportunity Home will accept the family's self-certification of the value of family assets and anticipated asset income for net assets totaling \$25,000 or less.

(vii) Third-party verification is still required for assets totaling a value more than \$25,000.

(e) **Certain Income, Asset and Expense Sources**

(i) Opportunity Home will determine that third-party verification is not available when it is known that an income source does not have the ability to provide written or oral third-party verification [VG, p. 15]. For example, Opportunity Home will rely upon review of documents when Opportunity Home determines that a third party's privacy rules prohibit the source from disclosing information.

(ii) Opportunity Home also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense and the family has original documents that provide the necessary information.

- (iii) Opportunity Home will document in the family file the reason that 3rd party verification was not available and will place a photocopy of any original document(s) in the family file [VG, p.15].
- (iv) If the family cannot provide original documents, Opportunity Home will pay the service charge required to obtain third-party verification as applicable, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.
- (v) The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

7.1.E Self-Certification

- (1) When HUD requires third-party verification, self-certification or “tenant declaration” is used as a last resort when Opportunity Home is unable to obtain third-party verification.
- (2) Self-certification, however, is an acceptable form of verification when:
 - (a) A source of income is fully excluded;
 - (b) Net family assets total \$5,000 or less and Opportunity Home has adopted a policy to accept self-certification at annual recertification, when applicable; or
 - (c) Opportunity Home has adopted a policy to implement streamlined annual recertifications for fixed sources of income.
- (3) When Opportunity Home is 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.
- (4) 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 Opportunity Home.
- (5) Opportunity Home may require a family to certify that a family member does not receive a particular type of income or benefit.
- (6) The self-certification must be signed by the family member whose information or status is being verified.
- (7) Self-certifications must be made in a format acceptable to Opportunity

Home, including but not limited to signed, notarized statements, or a signed Housing Choice Voucher Application or Recertification Application.

7.2 Verifying Family Information

7.2.A Verification of Legal Identity

- (1) Opportunity Home will require families to furnish verification of legal identity for each household member.
- (2) Verification of legal identity for adults must include a valid State-issued driver's license or State-issued identification card.
- (3) If a valid State-issued driver's license or identification card is not available, verification of legal identity for adults must include a photo identification and one of the following:
 - (a) Certificate of birth (Birth Facts do not qualify);
 - (b) Naturalization papers;
 - (c) Church-issued baptismal certificate;
 - (d) U.S. military discharge paperwork (DD 214);
 - (e) U.S. passport; or
 - (f) Employer identification card.
- (4) Verification of legal identity for children must include one of the following:
 - (a) Certificate of birth (Birth Facts do not qualify);
 - (b) Adoption papers;
 - (c) Custody agreement;
 - (d) Health and Human Services ID; or
 - (e) School records.
- (5) If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.
- (6) If none of these documents can be provided and at Opportunity Home's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to Opportunity Home and be signed in the presence of an Opportunity Home representative or notary public (e.g., an affidavit).
- (7) Legal identity will be verified on an as-needed basis.

7.2.B Social Security Numbers [24 CFR 5.216 and HCV GB, p. 5-12]

Refer to Chapter 17 regarding Social Security Number (SSN) disclosure and verification.

7.2.C Documentation of Age

- (1) A birth certificate or other official record of birth is the preferred form of age verification for all family members.
- (2) For elderly family members, an original document that provides evidence of the receipt of social security retirement benefits is acceptable.
- (3) If an official record of birth or evidence of social security retirement benefits cannot be provided, Opportunity Home 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) and to provide a self-certification.
- (4) Age must be verified only once during continuously assisted occupancy.

7.2.D Family Relationships

- (1) 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 Chapter 3.
- (2) Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance.
- (3) In addition to the requirements below, the following verifications will be required when applicable:
 - (a) Verification of relationship:
 - (i) Official identification showing names
 - (ii) Birth certificates
 - (iii) Baptismal Certificates
 - (b) Verification of guardianship:
 - (i) Power of Attorney (POA)
 - (A) The POA must be sealed or notarized, include the care and custody of the child, and identify the child by name.
 - (ii) Court-ordered assignment
- (4) **Marriage**
 - (a) A marriage certificate generally is required to verify that a couple is married.

- (b) 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).

(5) **Separation or Divorce**

- (a) A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.
- (b) A copy of a court-ordered maintenance or other court record is required to document a separation.
- (c) If no court document is available, documentation from a community-based agency will be accepted.

(6) **Absence of Adult Member**

- (a) 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 household (e.g., documentation of another address at which the person resides such as a lease or utility bill), if the Opportunity Home so requests.
- (b) Generally, supporting evidence includes a submission of a certified statement that includes the following:
 - (i) Name, full address, and phone number of family member who left the household;
 - (ii) Date family member left the household;
 - (iii) Documentation of another address at which the person resides (e.g., lease or utility bill); and
 - (iv) If the family does not know the new address of the absent family member, this must be noted in the certified statement.
- (c) If the adult member reported to be permanently absent is the Head of Household, supporting evidence must include:
 - (i) A new lease from the landlord;
 - (ii) Medical documentation; or
 - (iii) Court documentation or certified documentation of incarceration.

(7) **Foster Children and Foster Adults**

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

7.2.E Verification of Student Status

(1) **General Requirements**

- (a) Opportunity Home requires families to provide information about the student status of all students who are 18 years of age or older.
- (b) This information will be verified only if:
 - (i) The family reports full-time student status for an adult other than the head, spouse, or cohead;
 - (ii) The family reports childcare expenses to enable a family member to further their education; or
 - (iii) The family includes a student enrolled in an institution of higher education.

(2) **Restrictions on Assistance to Students Enrolled in Institutions of Higher Education**

- (a) 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.
- (b) In accordance with the verification hierarchy described in Section 7.1.B, Opportunity Home will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:
 - (i) 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 Section Exhibit 3-2).
 - (ii) The student is at least 24 years old.
 - (iii) The student is a veteran, as defined in Section 3.2.E.
 - (iv) The student is married.
 - (v) The student has at least one dependent child, as defined in Section 3.2.E.
 - (vi) The student is a person with disabilities, as defined in Section 3.2.E, and was receiving assistance prior to November 30, 2005.

- (c) If Opportunity Home cannot verify at least one of these exemption criteria, Opportunity Home will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612.
- (d) In addition to verifying the student's income eligibility, Opportunity Home will then proceed to verify either the student's parents' income eligibility (see Section 7.3.J) or the student's independence from their parents (see below).
- (e) **Independent Student**

In accordance with the verification hierarchy described in Section 7.1.B, Opportunity Home will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

- (i) Reviewing and verifying previous address information to determine whether the student has established a household separate from their parents or reviewing and verifying documentation relevant to determining whether the student meets the U.S. Department of Education's definition of independent student (see Section 3.2.E)
- (ii) Reviewing a student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of "independent student."
- (iii) Requesting and obtaining written certification directly 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. Financial assistance that is provided by persons not living in the unit is part of annual income (except if the student meets the Department of Education's definition of independent student).

7.2.F Documentation of Disability

- (1) Opportunity Home must verify the existence of a disability in order to allow certain income disallowances and deductions from income.
 - (a) Opportunity Home is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)].
 - (b) Opportunity Home may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If Opportunity Home receives a verification document that provides such information, Opportunity Home will not place this information in the tenant file.

- (c) Under no circumstances will Opportunity Home 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 www.os.dhhs.gov.

- (2) 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]:

- (a) Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- (b) 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
- (c) 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
- (d) Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- (e) Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

(3) **Family Members Receiving SSA Disability Benefits**

- (a) 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].

(b) For family members claiming disability who receive disability benefits from the SSA, Opportunity Home will attempt to obtain information about disability benefits through EIV when it is available.

(c) If documentation from HUD's EIV System is not available, Opportunity Home will request a current SSA benefit verification letter (see Section 7.1.B(2)) from each family member claiming disability status.

- (i) If the family is unable to provide the document(s), Opportunity Home 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.
- (ii) Once the applicant or participant receives the benefit verification letter they will be required to provide it to Opportunity Home.

(4) **Family Members Not Receiving SSA Disability Benefits**

- (a) 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.
- (b) For family members claiming disability who do not receive disability benefits from the SSA, a qualified professional must provide third-party verification that the family member meets the HUD definition of disability, in accordance with the policies in Chapter 2.

7.2.G Citizenship or Eligible Immigration Status [24 CFR 5.508]

(1) **Overview**

- (a) HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean "medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance."
- (b) Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons.
- (c) A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and Opportunity Home verification requirements related to citizenship status.
- (d) 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)]

(2) **U.S. Citizens and Nationals**

- (a) 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.
- (b) Opportunity Home may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.
- (c) Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless Opportunity Home receives information indicating that an individual's declaration may not be accurate.

(3) **Eligible Immigrants**

(a) **Documents Required**

- (i) All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.
- (ii) 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 7-2 at the end of this chapter summarizes documents family members must provide.

(b) **Opportunity Home Verification [HCV GB, pp. 5-3 and 5-7]**

- (i) For family members age 62 or older that claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this plan. No further verification of eligible immigration status is required.
- (ii) For family members under the age of 62 who claim to be eligible immigrants, Opportunity Home must verify immigration status with the United States Citizenship and Immigration Services (USCIS).
- (iii) Opportunity Home will follow all USCIS protocols for verification of eligible immigration status.

7.2.H Verification Of Preference Status

- (1) Opportunity Home must verify any preferences claimed by an applicant that determined placement on the waiting list.

7.3 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 Opportunity Home policies that supplement the general verification procedures specified in Part I of this chapter.

7.3.A Earned Income

(1) Temporary Income

- (a) Pursuant to Section 24 CFR 5.609 (c)(9) Opportunity Home is to exclude temporary income payments from the U.S. Census Bureau, defined as employment lasting no longer than 180 days and not culminating in permanent employment.
- (b) Employer verification of both the employment dates and income amount is to be maintained in the tenant file.

(2) Tips

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.

7.3.B Business and Self-Employment Income

- (1) In order to verify the net income from a business, Opportunity Home will review both IRS and other financial documents, as defined below, from prior years and use this information to anticipate the income for the next 12 months.
- (2) Acceptable methods of verification include:
 - (a) IRS Form 1040, including:
 - (i) Schedule C (Small Business);
 - (ii) Schedule E (Rental Property Income);
 - (iii) Schedule F (Farm Income); and
 - (iv) 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.
 - (b) Audited or unaudited financial statement(s) of the business.

- (c) Credit report or loan application.
 - (d) Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
 - (e) Family's self-certification as to net income realized from the business during previous years.
- (3) If a family member has been self-employed:
- (a) Less than three months, Opportunity Home will accept the family member's certified estimate of income and will schedule an interim reexamination within three months.
 - (b) Three to twelve months, Opportunity Home will require the family to provide documentation of income and expenses for this period and will use that information to project income.

7.3.C Periodic Payments and Payments in Lieu of Earnings

(1) **Social Security/SSI Benefits**

Refer to Chapter 17 regarding applicant/participant SS/SSI benefit verification.

7.3.D Alimony or Child Support

The way Opportunity Home will seek verification for alimony and child support differs depending on whether the family declares that it receives regular payments.

- (1) If the family declares that it **receives regular payments**, verification will be sought in the following order:
- (a) UIV as applicable and available
 - (b) If payments are made through a state or local entity, Opportunity Home will request a record of payments for the past 12 months and request that the entity disclose any known information about the likelihood of future payments.
 - (c) Third-party verification from the person paying the support
 - (d) Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules

- (e) Copy of the latest check and/or payment stubs
 - (f) Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
- (2) 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) A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts; or
 - (b) 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.
 - (c) Families are not required to undertake independent enforcement action.
- (3) If the family declares that it has received a **decrease in payments or no payments**, Opportunity Home will not decrease income until the family provides evidence that child support payments have decreased for three consecutive months.

7.3.E Assets and Income From Assets

Assets Disposed of for Less than Fair Market Value

- (1) The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years.
- (2) Opportunity Home needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].
- (3) Opportunity Home will verify the value of assets disposed of only if:
 - (a) Opportunity Home does not already have a reasonable estimation of its value from previously collected information, or
 - (b) 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 Opportunity Home verified this amount. Now the person reports that she has given this \$10,000 to her son. Opportunity Home

has a reasonable estimate of the value of the asset; therefore, re-verification 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, Opportunity Home will verify the value of this asset.

7.3.F Net Income From Rental Property

The family must provide:

- (1) A current executed lease for the property that shows the rental amount or certification from the current tenant; and
- (2) 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, Opportunity Home 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:
 - (a) Tax statements,
 - (b) Insurance invoices,
 - (c) Bills for reasonable maintenance and utilities, and
 - (d) Bank statements or amortization schedules showing monthly interest expense.

7.3.G Retirement Accounts

When third-party verification is not available and/or required the type of original document that will be accepted depends upon the family member's retirement status:

(1) ***Before Retirement***

Opportunity Home will accept an original 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 120 days from the effective date of the examination.

(2) **Upon Retirement**

Opportunity Home will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

(3) **After Retirement**

Opportunity Home will accept an original document from the entity holding the account dated no earlier than 365 days before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7.3.H Income From Excluded Sources

A detailed discussion of excluded income is provided in Chapter 6, Part 1.

- (1) Opportunity Home must obtain verification for income exclusions only if, without verification, Opportunity Home would not be able to determine whether the income is to be excluded. For example, if a family's 16-year-old has a job at a fast food restaurant, Opportunity Home will confirm that Opportunity Home's records verify the child's age but will not send a verification request to the restaurant.
- (2) If a family claims the earned income disallowance for a source of income, both the source and the income must be verified.
- (3) Opportunity Home will reconcile differences in amounts reported by the third party and the family only when the excluded amount is used to calculate the family share (as is the case with the earned income disallowance). In all other cases, Opportunity Home will report the amount to be excluded as indicated on documents provided by the family.

7.3.I Zero Annual Income Status

- (1) Opportunity Home will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SSI, etc., are not being received by families claiming to have zero annual income.
- (2) Families who report zero income will be required to complete a family expense summary.

7.3.J Student Financial Assistance

- (1) 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].
- (2) 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)].
- (3) 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).
- (4) Excluded amounts are verified only if, without verification, Opportunity Home would not be able to determine whether or to what extent the income is to be excluded (see Section 7.3.H).

- (a) For a student subject to having a portion of their student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), Opportunity Home will request third-party written verification of both the source and the amount from the educational institution attended by the student as well as from any other person or entity providing such assistance, as reported by the student.
- (b) In addition, Opportunity Home will request written verification from the institution of higher education regarding the student's tuition amount.
- (c) If Opportunity Home is unable to obtain third-party written verification of the requested information, Opportunity Home will pursue other forms of verification following the verification hierarchy in Section 7.1.B.

7.3.K Parental Income of Students Subject to Eligibility Restrictions

- (1) If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from their parents or a vulnerable youth in accordance with Opportunity Home policy [24 CFR 5.612, FR 4/10/06, p. 18146, and FR Notice 9/21/16].

- (2) 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.
- (3) If Opportunity Home is required to determine the income eligibility of a student's parents, Opportunity Home will request an income declaration and certification of income from the appropriate parent(s) (as determined in Section 3.2.E).
 - (a) Opportunity Home will send the request directly to the parents, who will be required to certify their income under penalty of perjury. The parents will be required to submit the information directly to Opportunity Home.
 - (b) The required information must be submitted (postmarked) within 10 business days of the date of Opportunity Home's request or within any extended timeframe approved by Opportunity Home.
- (4) Opportunity Home 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:
 - (a) Internal Revenue Service (IRS) tax returns,
 - (b) Consecutive and original pay stubs,
 - (c) Bank statements,
 - (d) Pension benefits statements,
 - (e) Benefit award letters, and
 - (f) other official and authentic documents from a federal, state, or local agency.

7.4 Verifying Mandatory Deductions

7.4.A Dependent and Elderly/Disabled Household Deductions

- (1) The dependent and elderly/disabled family deductions require only that Opportunity Home verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions.
- (2) No further verifications are required.
- (3) **Dependent Deduction**

Opportunity Home must verify that:

- (a) 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.
- (b) 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.

See Chapter 6 (6.2.B) for a full discussion of this deduction.

- (4) **Elderly/Disabled Family Deduction**

Opportunity Home must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

See Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6.2.C.) for a discussion of the deduction.

7.4.B Medical Expense Deduction

Policies related to medical expenses are found in Section 6.2.D. The amount of the deduction will be verified following the standard verification procedures described in 7.1.

- (1) **Amount of Expense**

- (a) Opportunity Home will provide a third-party verification form directly to the medical provider requesting the needed information.
- (b) Medical expenses will be verified through:
 - (i) Third-party verification form signed by the provider, when possible
 - (ii) If the third party verification form is not possible, a letter from the facility, physician or qualified professional, and/or payment receipts or printouts from the source, will be used. In this case, Opportunity Home will make a best effort to determine what expenses from the past are likely to continue to occur in the

future. Opportunity Home will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 365 days.

(iii) If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 365 days.

(c) In addition, Opportunity Home must verify that:

(i) The household is eligible for the deduction.

(ii) The costs to be deducted are qualified medical expenses.

(iii) The expenses are not paid for or reimbursed by any other source.

(iv) Costs incurred in past years are counted only once.

(2) **Eligible Household**

(a) 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.

(b) Opportunity Home must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7.4.A) of this plan.

(3) **Qualified Expenses**

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses.

See Chapter 6 (6.2.D) for Opportunity Home's policy on what counts as a medical expense.

(4) **Unreimbursed Expenses**

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

(b) The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source.

(5) **Expenses Incurred in Past Years**

When anticipated costs are related to ongoing payment of medical bills incurred in past years, Opportunity Home will verify:

(a) The anticipated repayment schedule

(b) The amounts paid in the past, and

- (c) Whether the amounts to be repaid have been deducted from the family's annual income in past years.

7.4.C Disability Assistance Expenses

Policies related to disability assistance expenses are found in Chapter 6 (6.2.E). The amount of the deduction will be verified following the standard verification procedures described in 7.1.

(1) Amount of Expense

(a) Attendant Care

- (i) Opportunity Home will provide a third-party verification form directly to the care provider requesting the needed information.
- (ii) Expenses for attendant care will be verified through:
 - (A) Third-party verification form signed by the provider, when possible
 - (B) If third-party is not possible, copies of canceled checks used to make attendant care payments and/or receipts from care source
 - (C) If third-party or document review is not possible, written family certification as to costs anticipated to be incurred for the upcoming 365 days.

(b) Auxiliary Apparatus

- (i) Expenses for auxiliary apparatus will be verified through:
 - (A) Third-party verification of anticipated purchase costs of auxiliary apparatus
 - (B) If third party is not possible, 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 365 days.
 - (C) If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 365 days.
- (ii) In addition, Opportunity Home must verify that:
 - (A) The family member for whom the expense is incurred is a person with disabilities (as described in 7.2.F above).

(B) The expense permits a family member, or members, to work (as described in 6.2.E).

(C) The expense is not reimbursed from another source (as described in 6.2.E).

(2) **Family Member is a Person with Disabilities**

(a) 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.

(b) Opportunity Home will verify that the expense is incurred for a person with disabilities (see 7.2.F).

(3) **Family Member is a Person with Disabilities**

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

(a) Opportunity Home will seek 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 6.2.E).

(b) If third-party and document review 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.

(4) **Unreimbursed Expenses**

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

(b) The family will be required to certify that the disability expenses are not paid or reimbursed to the family from any source.

7.4.D Child Care Expenses

Policies related to childcare expenses are found in Chapter 6 (6.2.F).

(1) The amount of the deduction will be verified following the standard verification procedures described in 7.1. In addition, Opportunity Home must verify that:

(a) The child is eligible for care;

- (b) The costs claimed are not reimbursed;
- (c) The costs enable a family member to pursue an eligible activity;
- (d) The costs are for an allowable type of childcare; and
- (e) The costs are reasonable.

(2) **Eligible Child**

- (a) To be eligible for the childcare deduction, the costs must be incurred for the care of a child under the age of 13.
- (b) Opportunity Home will verify that the child being cared for (including foster children) is under the age of 13 (see 7.2.C).

(3) **Unreimbursed Expense**

- (a) To be eligible for the childcare deduction, the costs must not be reimbursed by another source.

- (b) The childcare provider will be asked to certify that the childcare expenses are not paid by or reimbursed from any source other than the family.
- (c) The family will be required to certify that the childcare expenses are not paid by or reimbursed to the family from any source.

(4) **Pursuing an Eligible Activity**

- (a) Opportunity Home 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.

- (b) Opportunity Home 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.

(i) *Seeking Work*

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

- (B) In the event third-party verification is not available, Opportunity Home will provide the family with a form on

which the family member must record job search efforts. Opportunity Home will review this information at each subsequent reexamination for which this deduction is claimed.

(ii) *Furthering Education*

Opportunity Home will ask that the academic or vocational educational institution verify that the person permitted to further their education by the childcare is enrolled and provide information about the timing of classes for which the person is registered.

(iii) *Gainful Employment*

Opportunity Home will seek verification from the employer of the work schedule of the person who is permitted to work by the childcare. 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.

(5) **Allowable Type of Child Care**

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

(b) Opportunity Home will verify that the type of childcare selected by the family is allowable, as described in Chapter 6 (6.2.F).

(c) Opportunity Home will verify that the fees paid to the childcare provider cover only childcare 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).

(d) Opportunity Home will verify that the childcare 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.

(6) **Reasonableness of Expenses**

Only reasonable childcare costs can be deducted. Opportunity Home defines reasonable in 6.2.F(5)(c).

**Applicable to Non-MTW Program Applicants/Participants
Exhibit 7-1: Excerpt From HUD Verification Guidance
Notice (PIH 2018-18, pp. 4)**

Level	Verification Technique	Ranking
6	Upfront Income Verification UIV), using HUD’s Enterprise Income Verification (EIV) system and the Income Validation Tool (IVT) (not available for income verifications of new applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written third Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute.)
3	Written Third Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	Oral Third-Party Verification	Low (Mandatory if written third party verification is not available)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third-party verification)

**Exhibit 7-2: Summary of Documentation Requirements
for Noncitizens [HCV GB, pp. 5-9 and 5-10]**

- **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to Opportunity Home.
- 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

- 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

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following:
 - “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”

- Form I-94 Arrival-Departure Record with no annotation accompanied by:
 - 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).

- Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”.

- Form I-688B Employment Authorization Card annotated “Provision of Law 274a.12(11)” or “Provision of Law 274a.12”.

- 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 *Federal Register*



A COMMUNITY OF POSSIBILITIES

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

CHAPTER 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

Chapter 8: Housing Quality Standards and Rent Reasonableness Determinations

[24 CFR 982 Subpart I and 24 CFR 982.507]

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits Opportunity Home to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and Opportunity Home-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least annually during the term of the contract.

HUD also requires Opportunity Home to determine that units rented by families assisted under the HCV program have rents that are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and Opportunity Home requirements related to housing quality and rent reasonableness as follows:

PART 1: 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 2: The Inspection Process

This part describes the types of inspections Opportunity Home will make and the steps that will be taken when units do not meet HQS.

PART 3: Rent Reasonableness Determinations

This part discusses the policies Opportunity Home 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 Opportunity Home's jurisdiction.

8.1 Physical Standards

8.1.A General HUD Requirements

(1) HUD Performance and Acceptability Standards

- (a) HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:
 - (i) Sanitary facilities
 - (ii) Food preparation and refuse disposal
 - (iii) Space and Security
 - (iv) Thermal Environment
 - (v) Illumination and electricity
 - (vi) Structure and materials
 - (vii) Interior Air Quality
 - (viii) Water Supply
 - (ix) Lead-based paint
 - (x) Access
 - (xi) Site and neighborhood
 - (xii) Sanitary condition
 - (xii) Smoke Detectors
- (b) A summary of HUD performance criteria is provided in Exhibit 8-1.
- (c) Additional guidance on these requirements is found in the following HUD resources:
 - (i) Housing Choice Voucher Guidebook, Chapter 10.
 - (ii) HUD Housing Inspection Manual for Section 8 Housing
 - (iii) HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD 52580 A (9/00)
 - (iv) 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.

(2) Tenant Preference Items

- (a) HUD requires Opportunity Home to enforce minimum HQS but also requires that certain judgments about acceptability be left to the family. For example, Opportunity Home must ensure that the unit

contains the required sanitary facilities, but the family decides whether the cosmetic condition of the facilities is acceptable. Attachment 8-2 summarizes those items that are considered tenant preferences.

(3) Modifications to Provide Accessibility

- (a) 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.
 - (i) Such modifications are at the family's expense.
 - (ii) 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.
 - (iii) The owner may not increase a customarily required security deposit.
 - (iv) 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.
 - (v) 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].
- (b) 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.

8.1.B Additional Local Requirements

- (1) Opportunity Home may impose additional quality standards as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choice.
- (2) HUD approval is required if more stringent standards are imposed.
- (3) HUD approval is not required if Opportunity Home additions are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

(4) **Occupancy Standards**

Voucher Size	Persons in Household (Minimum - Maximum)
1 Bedroom	1-2
2 Bedroom	2-4
3 Bedroom	3-6
4 Bedroom	4-8
5 Bedroom	6-10

(5) **Thermal Environment [HCV GB p.10-7]**

Opportunity Home 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.

- (a) The heating system must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between November 1 and March 31. Owners of units in non-compliance with this requirement will be given one business day to provide safe and adequate heating equipment.
- (b) In units with a central air conditioning system, the system must be capable of maintaining an interior temperature of 80 degrees Fahrenheit between April 1 and October 31. Owners of units in non-compliance with this requirement will be given three business days to provide safe and adequate air conditioning equipment.
- (c) Whether the unit is supplied with a central air conditioning system or window/room systems, the entire unit, including rooms with independent systems, must comply with the above requirements.
- (d) If no cooling system is provided, windows in the living rooms and bedrooms must have a screen.

(6) **Clarifications of HUD Requirements**

Opportunity Home 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.

As permitted by HUD, Opportunity Home has adopted the following specific requirements that elaborate on HUD standards:

(a) **Walls**

Plaster or drywall must be repaired or replaced in areas where it is sagging, severely cracked or otherwise damaged.

(b) **Windows**

(i) Window sashes must be:

- (A) In good condition;
- (B) Solid and intact; and
- (C) Replaced when damaged or deteriorated.

(ii) Windows must be weather-stripped as needed to ensure a watertight seal.

(iii) Window screens, if present, must be in good condition.

(iv) Plexi-glass is not an acceptable glazing replacement.

(v) Window locks must be permanently attached.

(c) **Doors**

All exterior doors must:

- (i) Be weather-tight to avoid air or water infiltration;
- (ii) Be lockable;
- (iii) Have no holes;
- (iv) Have all trim intact; and
- (v) Have a threshold.

(d) **Floors**

(i) All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be secured and made level. If they cannot be leveled, they must be replaced.

(ii) All floors must be in a finished state. Plywood is not acceptable.

(e) **Water Heating & Appliances**

Hot water must be available at all times at a temperature between 95 degrees and 120 degrees Fahrenheit.

- (i) Owners of units in non-compliance with this requirement will be given three business days to make the necessary repairs.
- (ii) Units found with inoperable stoves and/or refrigerators will be given three business days to make the necessary repairs.

(f) **Bathrooms**

- (i) All bathrooms must have an openable window or exterior exhaust system.
- (ii) If a bathroom does not have an openable window or exterior exhaust, Opportunity Home may permit a ductless ventilation system that prevents the accumulation of unhealthful odors and sewer gasses.

(g) **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.

(h) **Bedrooms**

- (i) Bedrooms in basements, attics or converted garages are not allowed unless the owner provides Opportunity Home documentation from a licensed professional such as a licensed general contractor, building official, engineer or city inspector verifying that the room contains no safety hazards, or a Bexar County Appraisal District (Bexar CAD) print-out with the number of bedrooms for the unit.
- (ii) Minimum bedroom size is a 70-square-foot area.

(i) **Smoke Detectors**

- (i) Smoke detectors are required in:
 - (A) Each bedroom and
 - (B) Adjacent hallways on each floor level.
- (ii) If no hallway exists, a smoke detector must also be placed outside each bedroom or there must be one smoke detector placed within 30 feet of the bedroom(s).

(j) **Exteriors**

- (i) Mailboxes must be functional and operable.
- (ii) The property address must be:
 - (A) Visible from the street with a minimum required size of;

- (B) At least three inches tall;
 - (C) In a color that contrasts with the background; and
 - (D) For multi-family units, individual unit numbers must be present and visible.
- (iii) All trash containers must have a cover or attached lid capable of sealing in refuse and trash.
- (iv) Property must be free of trip hazards such as gaps or cracks greater than $\frac{3}{4}$ inches tall on sidewalks, walkways, driveways, common areas, etc.
- (k) **Utilities**
- Units that share utility meters are not acceptable, unless:
- (i) The owner installs separate utility meters for each unit and service, or
 - (ii) The residential lease specifies that the unit is an “all bills paid” unit.
 - (iii) Utilities are allocated in accordance with state and local law.
- (l) **Rodent Infestation**
- (i) Types of rodents known to cause infestation include, but are not limited to mice and rats.
 - (ii) If the inspection finds evidence of rodent infestation, the time frame for correction will vary as follows:
 - (A) If the tenant submits documentation to show that they notified the landlord of the infestation at least 10 business days prior to the Opportunity Home inspection, Opportunity Home will require the correction to be made within three business days of the inspection.
 - (B) If the tenant does not submit documentation to show that they notified the landlord of the infestation at least 10 business days prior to the Opportunity Home inspection, Opportunity Home will require correction to be made in accordance with section 8.2.F(1)(a).
- (m) **Insect Infestation**
- (i) Types of insects known to cause infestation include, but are not limited to roaches, bed bugs and termites.
 - (ii) The Inspector is to record their observation as “infestation” in the following circumstances:

- (A) When more than one dead insect is observed in a unit or in an inspectable item location in common areas (e.g., halls, corridors, stairs, laundry room, lobby office, etc.).
- (B) When one or more live insect is observed in a unit or in an inspectable item location in common areas (e.g., halls, corridors, stairs, laundry room, lobby office, etc.).

8.1.C Life-Threatening Conditions [24 CFR 982.404(a)]

- (1) HUD requires Opportunity Home to define life-threatening conditions and to notify the owner and the family of the corrections required.

- (a) Life-threatening conditions include, but are not limited to, the following:
 - (i) Lack of security for the unit
 - (ii) No utilities (e.g., electric, gas, and water)
 - (iii) Waterlogged ceiling in imminent danger of falling
 - (iv) Major plumbing leaks, flooding, or sewer back ups
 - (v) Natural gas leak or fumes
 - (vi) Nonfunctional heating equipment during the period between November 1 and March 31.
 - (vii) Obstacle(s) preventing the tenant's exit from the unit
 - (viii) Lack of at least one functional smoke detector on each floor level of the unit.
 - (ix) Lack of functioning Carbon Monoxide detector/alarm in areas required by the 2018 IFC. [PIH 2022-01];

- (2) The life-threatening conditions must be corrected within 24 hours following Opportunity Home's notification.
 - (a) In the event of extraordinary circumstances such as if a unit is within a Presidentially declared disaster area, HUD may waive the 24-hour inspection requirement until such time as an inspection is feasible.

8.1.D Owner and Family Responsibilities [24 CFR 982.404]

(1) Family Responsibilities

- (a) The family is responsible for correcting the following HQS deficiencies:
 - (i) Tenant-paid utilities not in service;

- (ii) Failure to provide or maintain family-supplied appliances; and
- (iii) Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

(b) *Normal wear and tear* is defined as physical deterioration which occurs in the normal course of tenancy, without negligence, carelessness, accident or abuse of the unit or premises by the members of the household or their guests.

(2) **Owner Responsibilities**

(a) 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).

(i) However, if the family's actions constitute a serious or repeated lease violation the owner may:

(A) Take legal action to evict the family

(B) Submit documentation of the serious or repeated lease violation to Opportunity Home as evidence that the family breached its obligation (see 5.1.C)

(b) If Opportunity Home cannot determine the cause of an HQS deficiency, the owner will be responsible for correcting the item.

8.1.E Special Requirements for Children with Elevated Blood Lead Level [24 CFR 35.1225, FR Notice 1/13/17; Notice PIH 2017-13]

- (1) If Opportunity Home 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 six years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, Opportunity Home 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.
 - (a) 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.
 - (b) In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.
- (2) Within 30 days after receiving the environmental investigation report from Opportunity Home, 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 Opportunity Home will take action in accordance with Section 8.2.G.

- (3) Opportunity Home reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8.1.F Violation of HQS Space Standards [24 CFR 982.401, 24 CFR 982.403]

- (1) A dwelling unit must:
 - (a) Provide adequate space and security for the family
 - (b) Have at least one bedroom or living/sleeping room for each two persons
- (2) A unit that does not meet HQS space standards is defined as *overcrowded*.
- (3) A living room may be used as a sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6].
- (4) A bedroom or living/sleeping room must have at least:
 - (a) One window
 - (b) Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required outlets)
- (5) If Opportunity Home determines that a unit is overcrowded because of an increase in family size or a change in family composition, Opportunity Home must issue the family a new voucher, and the family and Opportunity Home must try to find an acceptable unit as soon as possible.
- (6) If an acceptable unit is available for rental by the family, Opportunity Home must terminate the HAP contract in accordance with its terms.

8.2 The Inspection Process

8.2.A Overview [24 CFR 982.405]

(1) Types of Inspections

Opportunity Home conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- (a) *Initial/Move-In Inspections.* Opportunity Home conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program.
- (b) *Annual / Biennial Inspections.* HUD requires Opportunity Home 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.
- (c) *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.
- (d) *Quality Control Inspections.* HUD requires that a sample of units be reinspected by a supervisor or other qualified individual to ensure that HQS are being enforced correctly and uniformly by all inspectors.
- (e) *Alternative Inspections.* Opportunity Home may comply with the inspection requirement by relying on an alternative inspection (i.e., an inspection conducted for another housing assistance program) only if Opportunity Home is able to obtain the results of the alternative inspection.
- (f) *Remote Inspections.* At Opportunity Home's discretion, Opportunity Home may conduct inspections remotely using alternative means such as a video conferencing/call platform.
 - (i) The landlord must use a device with a camera that supports video conferencing/calls to allow remote inspection of each area in the unit indicated by the Inspector.
 - (ii) If necessary and at Opportunity Home's discretion, only the landlord or property manager may be present in the unit at the time of the remote inspection.

(2) Inspection of Opportunity Home-owned Units [24 CFR 982.352(b)]

- (a) Opportunity Home will perform all HQS inspections in cases where an HCV family is receiving assistance in a Opportunity Home-owned unit.
- (b) An Opportunity Home-owned unit is defined as a unit that is owned by Opportunity Home and/or an affiliate of Opportunity Home that

administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by Opportunity Home).

(3) **Notice and Scheduling**

The family must allow Opportunity Home to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

- (a) 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 24 hours.
- (b) Inspections may be scheduled between 8:00 a.m. and 7:00 p.m.
- (c) Generally, inspections will be conducted on business days only.
- (d) In the case of a life-threatening emergency, Opportunity Home will give as much notice as possible, given the nature of the emergency.

(4) **Owner and Family Inspection Attendance**

HUD permits Opportunity Home to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

(a) **Annual, Complaint, Special and Emergency Inspections**

- (i) When a family occupies the unit at the time of inspection, an adult (age 18 or over) must be present for the inspection.
- (ii) The presence of the owner or the owner's representative is encouraged, but not required.

(b) **Initial or Moving Inspection of a Vacant Unit**

- (i) Opportunity Home will inspect the unit in the presence of the owner, owner's representative or with lockbox access
- (ii) The presence of a family representative is permitted, but not required.
- (iii) At the inspector's discretion, the family's representative may be asked to provide proof of identification.

(5) **Inspection Fees**

Opportunity Home may establish a reasonable fee to owners for a reinspection if an owner notifies Opportunity Home that a repair has been made or 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 was not corrected.

- (a) Opportunity Home may not charge the family for an initial inspection or reinspection of the unit.

- (b) Opportunity Home may not charge the owner for the inspection of the unit prior to the initial term of the lease or for an initial inspection during assisted occupancy of the unit.
- (c) The owner may not pass this fee along to the family.
- (d) Fees collected will be included in Opportunity Home's administrative fee reserve and may be used only for activities related to the Section 8 Tenant-Based Rental Assistance.

8.2.B Initial HQS Inspection

(1) Timing of Initial Inspections [FR Notice 1/18/17]

- (a) Opportunity Home may, but is not required to, approve assisted tenancy and start HAP if the unit fails HQS inspection, but only if the deficiencies identified are non-life-threatening.
- (b) Further, Opportunity Home may, but is not required to, authorize occupancy if a unit passed an alternative inspection in the last 24 months.
- (c) Opportunity Home requires that the unit pass the HQS inspection on or before the effective date of the lease and HAP contract.
- (d) Opportunity Home will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing a HAP contract with the owner.
- (e) 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).
- (f) 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 [982.305(b)(2)].
 - (i) Opportunity Home will complete the initial inspection within 10 business days (if owner advises unit is ready), determine whether the unit satisfies HQS, and notify the owner and the family of the determination.
 - (ii) Opportunity Home will inspect units that are in make-ready status only. Make-ready status is defined as a unit that is ready for immediate move-in, for example, by having all utilities on, a working stove, a working refrigerator, no trash/debris on site, and

working heating equipment (regardless of time of year). Refer to *HQS Common Failed Items Checklist*.

- (iii) Opportunity Home will allow for
 - (A) One failed inspection and one reinspection;
 - (B) One failed inspection, one no entry, and one reinspection; or
 - (C) One no entry, one failed inspection, and one reinspection.
- (iv) Units that do not pass inspection within the guidelines stated above or within 30 days of the initial inspection will result in a Final Fail. Two consecutive inspections resulting in no show/not ready will result in a Final Fail.
- (v) If the unit is not ready for inspection or Opportunity Home cannot contact the landlord, Opportunity Home will void the RTA after 30 days of the first documented attempt to schedule the unit for inspection.

(2) Inspection Results and Reinspections

- (a) If the inspection fails, Opportunity Home requires the owner to make the repair within 30 calendar days.
- (b) Opportunity Home must inspect the unit within 15 days of when Opportunity Home received the notification of corrected deficiencies.
- (c) In the event of extraordinary circumstances such as if a unit within a Presidentially declared disaster area, HUD may waive the 15-day inspection requirement until such time as an inspection is feasible.
- (d) If any HQS violations are identified, Opportunity Home will notify the owner of the deficiencies and give the owner no more than 30 calendar days from the date of the initial inspection to correct the deficiencies. If requested by the owner, the 30-day time frame for correcting the deficiencies may be extended by Opportunity Home for good cause.
- (e) If all repairs are completed within the 30 days of the initial inspection, the owner must notify Opportunity Home that all repairs have been made. Opportunity Home will reinspect the unit within 10 calendar days of the date the owner notifies Opportunity Home that the required repairs have been made.
- (f) If the time period for correcting the deficiencies (or any Opportunity Home-approved extension) has elapsed, or the unit is given a “Final Fail” rating, Opportunity Home will notify the owner and the family that

the unit has been rejected and that the family must search for another unit.

- (g) Following a “Final Fail” determination, the family may submit a new RTA for the same unit if the family has not found another unit by the time the owner completes all repairs and the family continues to wish to live in the unit.
- (h) Opportunity Home will not consider a unit to have passed an inspection until the landlord and Opportunity Home have agreed on the rent amount.
 - (i) Opportunity Home will allow the landlord no more than five business days to settle the unit rent amount with Opportunity Home.
 - (ii) A landlord’s failure to settle a unit rent amount with Opportunity Home within five business days will result in the inspection being canceled.

(3) **Utilities**

- (a) 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.

(b) Utility services must be available for testing at the time of the initial inspection. If utility service is not available for testing at the time of the initial inspection, the inspection will not be conducted and will count as a failed inspection of the unit.

(4) **Appliances [Form HUD-52580]**

- (a) If the family is responsible for supplying the stove and/or refrigerator, Opportunity Home will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements and a subsequent inspection will be conducted within three business days.
- (b) If the appliances are supplied by the owner, they must be present at the time of inspection.

8.2.C Annual/Biennial HQS Inspections [24 CFR 982.405; 982.406]

(1) **Scheduling the Inspection**

Each unit under HAP contract must have an annual inspection no more than 24 months after the most recent annual inspection.

- (a) If the family misses two scheduled inspections or if the notice is returned by the post office with no forwarding address, Opportunity Home may 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.
- (b) The family may request to reschedule an inspection for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Requests to reschedule an inspection must be made orally or in writing and will be considered on a case by case basis.
 - (i) "Good cause" is defined as a conflict that seriously affects the health or safety of the family. Such conflicts include hospitalization, illness or other situations that qualify, as determined by Opportunity Home.
 - (ii) Opportunity Home will request documentation of the "good cause" reason prior to rescheduling.
 - (iii) Requests to reschedule an inspection will be considered on a case-by-case basis.

(2) **Biennial HQS Inspections [FR 06/25/14; Notice 2016-05]**

- (a) Opportunity Home may adopt biennial inspections.
 - (i) Effective March 2020, Opportunity Home will adopt biennial inspections for all qualifying landlords.
- (b) Opportunity Home may not use biennial inspections in lieu of an initial inspection or interim inspection such as special inspections and quality control inspections.
- (c) Opportunity Home may conduct an inspection at an earlier date than the two-year anniversary of the last inspection.

8.2.D Special & Complaint Inspections [HCV GB p. 10-30]

Opportunity Home will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit.

- (1) A special inspection may be generated by the inspector in the event additional items are cited that were not previously documented in a prior inspection.
- (2) During a special inspection, Opportunity Home 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.

- (3) If the annual inspection has been scheduled or is due within 30 days of the date the special or complaint inspection is scheduled, Opportunity Home may elect to conduct a full annual inspection.
- (4) Opportunity Home will attempt to notify the family and/or landlord, although prior notification to the family and/or landlord is not required for special inspections.

8.2.E Quality Control Inspections [24 CFR 982.405(b), HCV GB p. 10-32]

- (1) HUD requires an Opportunity Home supervisor or other qualified person (i.e. Quality Control Specialist) 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 Opportunity Home supervisor or Quality Control Specialist will conduct the quality control inspections independently of routine inspections, so as not to give the inspector prior knowledge of the units that will be inspected for quality control purposes.
 - (a) Inspections completed by each inspector, and
 - (b) Units from a cross-section of neighborhoods.

8.2.F Inspection Results and Reinspections for Units Under Hap Contract

(1) Notification of Corrective Actions

- (a) The owner and the family will be notified of the results of all inspections.

- (i) Within five business days of the completed inspection, Opportunity Home will provide notification of the inspection results to the family via mail or email, and to the owner via Opportunity Home's Landlord Portal, mail or email. The notice will state:
 - (A) The time frame within which the failure must be corrected; and
 - (B) Failure to correct owner-caused deficiencies within the specified time frame (or any Opportunity Home-approved extension period) will result in the termination of the owner's HAP in accordance with 8.2.G; and/or
 - (C) Failure to correct family-caused deficiencies within the specified time frame (or any Opportunity Home-approved extension period) will result in the termination of the

family's assistance in accordance with policies in Chapter 12.

- (ii) Generally no more than 30 days will be allowed for the correction.

- (b) When an inspection identifies HQS failures, Opportunity Home will determine whether or not the failure is a life-threatening condition.

- (i) When life-threatening conditions are identified, Opportunity Home will immediately notify both parties in person or by telephone, email or fax.
- (ii) The owner/agent is responsible for all emergency repairs except for tenant-supplied utilities not in service.
- (iii) The corrective actions must be taken within 24 hours of Opportunity Home being notified of the life-threatening condition. Opportunity Home will inspect the life-threatening condition on the next business day.
- (iv) Opportunity Home will inform the owner that if life-threatening conditions are not corrected by the next business day, the owner's HAP will be terminated in accordance with 8.2.G.

(2) **Extensions**

- (a) For conditions that are life threatening, Opportunity Home cannot grant an extension to the emergency corrective action period.
- (b) For conditions that are not life threatening, Opportunity Home may grant an exception to the required time frames for correcting the violation, if Opportunity Home determines that an extension is appropriate [24 CFR 982.404].

- (i) Extensions will be granted in cases where Opportunity Home 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) A repair cannot be completed because required parts or services are not available;
 - (B) A repair cannot be completed because of weather conditions; or
 - (C) A reasonable accommodation is needed because the family includes a person with disabilities.

- (ii) For extension reasons not obvious to Opportunity Home, the landlord must submit supporting documentation.
- (iii) The length of the extension will be determined on a case-by-case basis, but will not exceed 30 days, except in the case of delays caused by weather conditions, a nationally or locally declared emergency, or extraordinary circumstances.
- (iv) In the case of weather conditions, a nationally or locally declared emergency or extraordinary circumstances, extensions may be continued until circumstances have improved sufficiently to make repairs possible. At that time, the necessary repairs must be made within 30 calendar days.

(3) Reinspections

- (a) Opportunity Home will conduct a reinspection immediately following the end of the corrective period or any Opportunity Home-approved extension.
- (b) The family and owner will be given reasonable notice of the reinspection appointment.
- (c) If the deficiencies are not corrected by the time of the reinspection, Opportunity Home will send a notice of abatement to the owner, or in the case of family caused violations, a notice of intent to terminate assistance, in accordance with Opportunity Home policies.

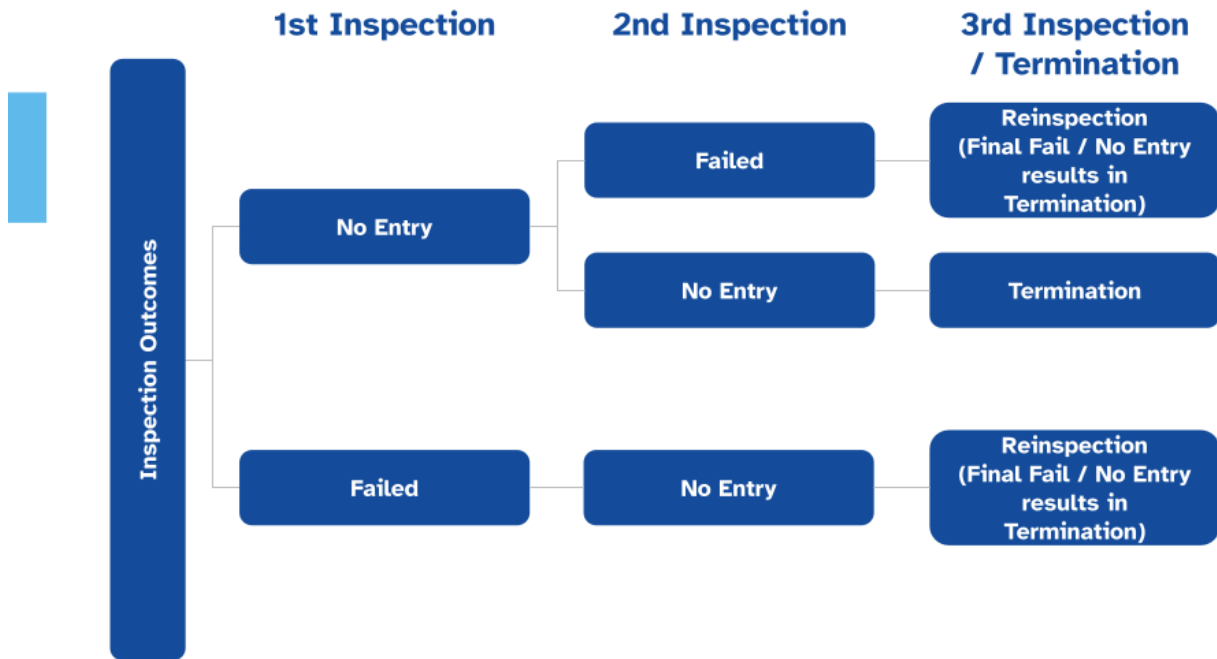
(4) Second Reinspections

- (a) When a unit has received a final fail due to HQS deficiencies for which the owner is responsible, Opportunity Home may conduct a second reinspection of the unit, at the owner's request, for a non-refundable fee of \$75.00.
 - (i) The second reinspection fee may be waived due to good cause and at Opportunity Home's discretion.
- (b) The landlord must pay the second reinspection fee by credit card on Opportunity Home's website.
- (c) Opportunity Home will schedule the second reinspection within 10 days of receiving the second reinspection fee.
- (d) Opportunity Home recommends that the owner or an authorized representative of the owner participate in Opportunity Home's second reinspection of the unit.
- (e) All inspection types are eligible for the second reinspection.

(5) **No Entry**

- (a) If Opportunity Home is unable to gain entry to the unit in order to conduct the scheduled inspection, Opportunity Home will reschedule the inspection within 10 business days.
- (b) Opportunity Home will allow for only one no entry. Two inspections resulting in a no entry may result in termination of housing assistance.
- (c) The above policy does not apply to 24-hour follow-up inspections for life-threatening conditions. Tenants will not receive a no entry allowance for an emergency inspection.

Figure 8.1 Potential Inspection Outcomes for No Entry



8.2.G Enforcing Owner Compliance

If the owner fails to maintain the dwelling unit in accordance with HQS, Opportunity Home must take prompt and vigorous action to enforce the owner obligations.

(1) **Failed Reinspection**

If the unit fails the re-inspection due to HQS deficiencies which were listed at the original inspection, and the deficiencies were the responsibility of the owner, the housing assistance payments to the owner are abated.

(2) **Extensions**

At the request of the party (tenant or owner) judged responsible for the deficiency, Opportunity Home may grant extensions to correct HQS deficiencies to the extent that such extensions do not exceed HUD regulations.

(3) **Abatements Due to Non-Compliance with Housing Quality Standards (HQS)**

- (a) An abatement is a cessation of housing assistance payments to an owner.
- (b) When an owner's housing assistance payment is abated due to the owner's failure to comply with HQS, the abated monies are not repaid to the owner but are forfeited.
- (c) During any abatement period the family continues to be responsible for its share of the rent.
- (d) An abatement is released and housing assistance payment resumes on the date Opportunity Home determines that the unit is free from those HQS deficiencies that resulted in the abatement and which are the owner's responsibility.
- (e) If the inspector determines that corrections have not been made at the time of the scheduled re-inspection, Opportunity Home shall abate the unit beginning the first day of the month following the reinspection date.
- (f) If the owner pays the re-inspection fee, and the unit passes its reinspection, the abatement will be lifted effective the date that the unit passed reinspection.

(4) **Tenant Prevention of Owner's Work to Correct Deficiencies**

In those cases in which an owner claims that the tenant will not permit or allow correction of HQS deficiencies, Opportunity Home may reimburse the owner for abated amounts if the owner provides evidence of the timely filing and pursuing of a case of unlawful detainer against the tenant.

(5) **Rebate of Abated Amounts**

If an abated owner has corrected deficiencies prior to a re-inspection, the owner may, upon petition to Opportunity Home, receive a rebate on abated amounts retroactive to the date that the owner can conclusively prove that all HQS deficiencies had been corrected.

(6) **HAP Termination**

- (a) If an owner fails to correct HQS deficiencies by the time specified by Opportunity Home, HUD requires Opportunity Home to terminate

housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.2(f)].

- (b) No retroactive payments will be made to the owner.
- (c) Owner rents will be terminated as a result of HQS failures that are the family's responsibility after reasonable notice of termination has been provided.
- (d) The owner must not seek payment from the family for the HAP portion and may not use the termination as cause for eviction.

(7) **HAP Contract Termination**

- (a) Opportunity Home must give the owner reasonable notice of the termination. Opportunity Home will issue a voucher to permit the family to move to another unit as described in Chapter 10.
- (b) Opportunity Home will notify the owner within 30 calendar days of a HAP contract termination due to HQS non-compliance.
- (c) The HAP Contract will terminate immediately when:
 - (i) the family vacates the unit; or
 - (ii) 180 calendar days have elapsed since the last housing assistance payment to the owner.

8.2.H Enforcing Family Compliance With HQS [24 CFR 982.404(b)]

- (1) Families are responsible for correcting any HQS violations listed in paragraph 8.1.D.
- (2) If the family fails to correct a violation within the period allowed by Opportunity Home (and any extensions), Opportunity Home will terminate the family's assistance in accordance with the policies described in Chapter 12.
- (3) 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.

8.3 Rent Reasonableness [24 CFR 982.507]

8.3.A Overview

- (1) No HAP contract can be approved until Opportunity Home has determined that the rent for the unit is reasonable.
- (2) The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.
- (3) HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area.
- (4) HUD also requires that owners not charge more for assisted units than for comparable units on the premises.
- (5) **Opportunity Home-Owned Units [24 CFR 982.352(b)]**
 - (a) In cases where an HCV family is receiving assistance in an Opportunity Home-owned unit, Opportunity Home will determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance.
 - (b) An Opportunity Home-owned unit is defined as a unit that is owned by Opportunity Home and/or an affiliate of Opportunity Home that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by Opportunity Home).

8.3.B When Rent Reasonableness Determinations Are Determined

- (1) **Owner-Initiated Rent Determinations**
 - (a) Opportunity Home must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.
 - (b) The owner and family first negotiate the rent for a unit. Opportunity Home will assist the family with the negotiations upon request.
 - (c) At initial occupancy Opportunity Home must determine whether the proposed rent is reasonable before a HAP Contract is signed.
 - (d) **Rent Adjustments**
 - (i) The owner must not change the rent during the initial lease term.
 - (ii) Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family.
 - (iii) Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

- (iv) In determining if subsequent rent increases result in rents that are reasonable for units occupied by families under HAP contracts, Opportunity Home will take any rent setting policies by the owner for existing tenants into consideration. Any increases in rent for HCV tenants over time should be similar to increases charged to unassisted tenants who have lived in their units for approximately the same amount of time. In other words, rents for existing HCV tenants may not exceed the rents charged to unassisted tenants in comparable units who have been in a property for approximately the same amount of time.

- (A) Opportunity Home may request owners to provide information about the rents charged for other units within the same zip code or if the premises include more than four units.
- (B) In evaluating the proposed rents in comparison to other units on the premises, Opportunity Home will consider unit size and length of tenancy in the other units. Total assisted units on the property may not exceed 50 percent of the total units to be used for comparable rent determinations.
- (v) Upon notifying the landlord of the proposed rent amount, Opportunity Home will allow the landlord no more than five business days to settle the unit rent amount with Opportunity Home. If the landlord fails to settle rent with Opportunity Home within five business days, Opportunity Home will set the rent amount at the lower of:
 - (A) The current rent amount; or
 - (B) The rent supported by current rent reasonableness survey.

For more information about changes in lease or rent, see Section 9.1.H.

(2) **Opportunity Home- and HUD-Initiated Rent Reasonableness Determinations**

- (a) HUD requires Opportunity Home 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.
- (b) HUD also may direct Opportunity Home to make a determination at any other time.
- (c) Opportunity Home may decide that a new determination of rent reasonableness is needed at any time.

- (d) In addition to the instances described above, Opportunity Home will make a determination of rent reasonableness at any time after the initial occupancy period if:
 - (i) Opportunity Home determines that the initial rent reasonableness determination was in error; or
 - (ii) Opportunity Home determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8.3.C How Comparability is Established

(1) Factors to Consider

HUD requires Opportunity Home to take into consideration the factors listed below when determining rent comparability. Opportunity Home 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.

- (a) Location and age;
- (b) Unit size including the number of rooms and square footage of rooms;
- (c) The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise);
- (d) The quality of the units including the quality of the original construction, maintenance and improvements made; and
- (e) Amenities, services, and utilities included in the rent.

(2) Units That Must Not be Used as Comparables

- (a) 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:
 - (i) Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects;
 - (ii) HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized;
 - (iii) Units subsidized through federal, state, or local tax credits;
 - (iv) Units subsidized by the Department of Agriculture rural housing programs; and

- (v) Units that are rent-controlled by local ordinance [Notice PIH 2002-22, Notice PIH 2005-20, and Notice PIH 2011-46].

(3) **Rents Charged for Other Units on the Premises**

- (a) In determining rent reasonableness, Opportunity Home must ensure that the rents paid for HCV assisted units do not exceed the rents for comparable units that are not assisted under a Federal, State, or local government program.
- (b) Units for which the owner has simply decided to charge rents that are below what other tenants are charged and what the market might actually bear (with the exception of such units considered assisted units in the case of Housing Conversion Actions) are not assisted units for purposes of rent reasonableness determinations. Rents for these particular units in the property must be considered when establishing if an HCV rent to owner is reasonable.
- (c) Opportunity Home will take into consideration the real value of the rents charged by the owner for unassisted comparable units on the premises when determining rent reasonableness. For example, if the rent recorded on the lease for comparable unassisted units on the premises is the same as the rent for an HCV family but an owner is reducing the amount that is actually required to be paid by the unassisted tenants, Opportunity Home takes the actual amount into consideration. For example, unassisted tenants might be receiving a credit each month, or a “rent-back”, or free rent some months, or some other type of subsidy from the owner. All of these actions reduce the true value of the charged rent, and Opportunity Home must use these reductions to determine the actual “rent” the owner is charging for the unassisted units.
- (d) 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 four units.
- (e) By accepting Opportunity Home payments each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises.
- (f) If asked to do so, the owner must give Opportunity Home information regarding rents charged for other units on the premises.

8.3.D Opportunity Home Rent Reasonableness Methodology

How Market Data is Collected and Rents are Determined

Opportunity Home will primarily utilize a third party system to conduct

reasonable rent analyses of assisted units.

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
- Healthy Housing Inspection Manual – CDC / HUD 2008 edition
- 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 Opportunity Home
- 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.
- Maintain covered housing without deteriorated paint if there is a child under six in the family.

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 Opportunity Home). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities within 30 days.

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 any person with a hearing impairment occupies the dwelling unit, 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
- Healthy Housing Inspection Manual – CDC / HUD 2008 edition
- 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.
- *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.
- *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.
- *Sanitary Conditions.* The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- *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.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 9

GENERAL LEASING POLICIES

Chapter 9: General Leasing Policies

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 Opportunity Home to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, Opportunity Home 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 Opportunity Home 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 Opportunity Home, 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 to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

9.1 Tenant Screening

9.1.A Overview

- (1) Opportunity Home 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)].
- (2) Opportunity Home may elect to screen applicants for family behavior or suitability for tenancy.

(a) Opportunity Home will not screen applicants for family behavior or suitability for tenancy.

See Chapter 3 for a discussion of Opportunity Home's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

- (3) The owner is responsible for screening and selection of the family to occupy the owner's unit.
- (4) At or before approval of the tenancy, Opportunity Home must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)].
- (5) Opportunity Home must also inform the owner or manager of their rights and obligations under the Violence against Women Act of 2013 (VAWA) [24 CFR 5.2005(a)(2)].
- (6) Opportunity Home must provide the owner with:
 - (a) the family's current and prior address (as shown in Opportunity Home records); and
 - (b) the name and address (if known to Opportunity Home) of the landlord at the family's current and prior address [24 CFR 982.307(b)(1)].
- (7) Opportunity Home is permitted, but not required, to offer the owner other information in Opportunity Home's possession about the family's tenancy [24 CFR 982.307(b)(2)].

(a) Opportunity Home will also provide the phone number (if known to Opportunity Home) of the landlord at the family's current and prior address.

- (8) Opportunity Home's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].
- (9) Opportunity Home may not disclose to the owner any confidential information provided in response to a Opportunity Home 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)].

9.1.B Requesting Tenancy Approval [Form HUD-52517]

- (1) 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.
- (2) 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 Opportunity Home to approve the assisted tenancy in the selected unit.
- (3) The owner and the family must submit two documents to Opportunity Home:
 - (a) A completed Request for Tenancy Approval (RTA) – Form HUD-52517; and
 - (b) A copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A.
- (4) The RTA contains the information necessary for Opportunity Home to determine whether to approve the assisted tenancy in this unit, including the:
 - (a) unit address;
 - (b) number of bedrooms;
 - (c) structure type;
 - (d) year constructed;
 - (e) utilities included in the rent; and
 - (f) requested beginning date of the lease.
- (5) Owners must certify 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.
- (6) Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless Opportunity Home has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household.
- (7) For units constructed prior to 1978, owners must either
 - (a) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or
 - (b) attach a lead-based paint disclosure statement.
- (8) For units located in unincorporated areas of the City of San Antonio, the lease agreement must include a provision stating:
 - (a) The owner is responsible for providing trash removal service;
 - (b) The owner will pay all costs associated with trash removal services; and
 - (c) Trash will be removed from the unit at least once a week.

- (9) 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]
- (a) Both the family and the owner must sign the RTA.
 - (b) The completed RTA (including the proposed lease) should be submitted in-person, by fax, or by email.
 - (c) The family may not submit, and Opportunity Home will not process more than one RTA at a time.
 - (d) Opportunity Home will suspend the voucher term upon a family's submission of an RTA.
 - (i) The suspension begins when the family submits the RTA and ends when the family is notified in writing of the approval or denial of the tenancy.
 - (e) When the family submits an RTA, Opportunity Home will review the RTA for completeness.
 - (i) If the RTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RTA, Opportunity Home will notify the family and/or the owner of the deficiencies.
 - (ii) Missing information and/or missing documents will only be accepted as hard copies, in-person, by mail, by email, or by fax. Opportunity Home will not accept missing information over the phone.
 - (f) When the family submits the RTA and proposed lease, Opportunity Home will also review the terms of the RTA for consistency with the terms of the proposed lease.
 - (i) If the terms of the RTA are not consistent with the terms of the proposed lease, Opportunity Home will notify the family and the owner of the discrepancies.
 - (ii) Corrections to the terms of the proposed lease will only be accepted in-person, by mail, by fax, or by email.
 - (iii) Corrections to the RTA may be accepted as hard copies, in-person, by mail, by fax, or by email.
 - (g) Because of the time sensitive nature of the tenancy approval process, Opportunity Home will attempt to communicate with the owner and family by phone, fax, or email. Opportunity Home will use mail when the parties cannot be reached by phone, fax, or email.
 - (h) Opportunity Home will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

9.1.C Owner Participation

- (1) Opportunity Home does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where Opportunity Home may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues.
- (2) 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.

9.1.D Eligible Units

- (1) There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program.
- (2) Generally, a voucher-holder family may choose any available rental dwelling unit on the market in Opportunity Home's jurisdiction. This includes the dwelling unit they are currently occupying.
- (3) Opportunity Home will approve any of the following types of housing in the voucher program:
 - (a) All structure types can be utilized.
 - (b) Manufactured homes where the tenant leases the mobile home and the pad.
 - (c) Units owned by Opportunity Home (following HUD-prescribed requirements).
- (4) A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.
- (5) Opportunity Home may not permit a voucher holder to lease a unit, which is receiving project-based Section 8 assistance or any duplicative rental subsidies.
- (6) **Ineligible Units [24 CFR 982.352(a)]**

Opportunity Home may not assist a unit under the voucher program if the unit is:

 - (a) A public housing or Indian housing unit;
 - (b) A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);

- (c) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;
 - (d) College or other school dormitories;
 - (e) Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; or
- (7) **Opportunity Home-Owned Units [24 CFR 982.352(b)]**
- (a) Otherwise eligible units that are owned or substantially controlled by Opportunity Home issuing the voucher may also be leased in the voucher program.
 - (b) In order for an Opportunity Home-owned unit to be leased under the voucher program, the unit must not be ineligible housing and Opportunity Home 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 an Opportunity Home-owned unit without any pressure or steering by Opportunity Home.
- (8) **Special Housing Types [24 CFR 982 Subpart M]**
- (a) HUD regulations permit, but do not generally require, Opportunity Home 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:
 - (i) Single room occupancy (SRO) housing;
 - (ii) Congregate housing;
 - (iii) Group homes;
 - (iv) Shared housing;
 - (v) Manufactured home space (where the family owns the manufactured home and leases only the space); and
 - (vi) Cooperative housing and homeownership option.

See Chapter 15 for specific information and policies on any of these housing types that Opportunity Home has chosen to allow.
 - (b) The regulations do require Opportunity Home 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.
- (9) **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:

- (a) Public or Indian housing assistance;
 - (b) Other Section 8 assistance (including other tenant-based assistance);
 - (c) Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
 - (d) Section 101 rent supplements;
 - (e) Section 236 rental assistance payments;
 - (f) Tenant-based assistance under the HOME Program;
 - (g) Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
 - (h) Any local or State rent subsidy;
 - (i) Section 202 supportive housing for the elderly;
 - (j) Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
 - (k) 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.
- (10) **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.*
- (11) **Unit Size**
- (a) In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household.
 - (b) 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)].
 - (c) 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.

(12) **Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]**

- (a) In order to be eligible, the dwelling unit must have a reasonable rent.
- (b) 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 policies on rent reasonableness and the rent reasonableness determination process.

(13) **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 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.

9.1.E Lease And Tenancy Addendum

- (1) 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; Opportunity Home is not a party to this contract.
- (2) 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)].
- (3) **Lease Form and Tenancy Addendum [24 CFR 982.308]**
 - (a) 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.
 - (b) If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease.
 - (c) 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.
 - (d) All provisions in the HUD-required Tenancy Addendum must also be added word-for-word to the owner's standard lease form, for use with the assisted family.
 - (e) The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by Opportunity Home.

- (f) As a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner and the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

(4) **Lease Information [24 CFR 982.308(d)]**

The assisted dwelling lease must contain all of the required information as listed below:

- (a) The names of the owner and the tenant:
- (b) The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- (c) The term of the lease (initial term and any provisions for renewal)
- (d) The amount of the monthly rent to owner
- (e) 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
- (f) The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.
- (g) The lease must also provide that owner may evict family when the owner determines that any household member is illegally using a drug or a pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.
- (h) Lead Warning Statement and disclosure information required by 24 CFR 35.92 (b).

(5) **Term of Assisted Tenancy**

- (a) 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.
- (b) The HUD program regulations permit Opportunity Home to approve a shorter initial lease term if certain conditions are met.
 - (i) Opportunity Home will only approve an initial lease term of six months with the option to renew month-to-month for a family that is relocating due to Opportunity Home action under the involuntary displacement preference.
- (c) During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

- (d) 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 in the dwelling lease if they exist.
 - (e) Opportunity Home 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)].
- (6) **Security Deposit [24 CFR 982.313 (a) and (b)]**
- (a) The owner may collect a security deposit from the tenant.
 - (b) Opportunity Home may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.
 - (i) Opportunity Home prohibits the owner from collecting security deposits in excess of amounts charged by the owner to unassisted tenants.
- (7) **Separate Non-Lease Agreements Between Owner and Tenant**
- (a) Owners may not demand or accept any rent payment from the family in excess of the rent to the owner minus Opportunity Home's housing assistance payments to the owner [24 CFR 982.451(b)(4)].
 - (b) 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)].
 - (c) Opportunity Home 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.
 - (i) 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.
 - (ii) 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.
 - (iii) 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.

- (iv) 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.
- (v) 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.
- (vi) If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.
- (vii) All agreements for special items or services must be attached to the lease approved by Opportunity Home. If agreements are entered into at a later date, they must be approved by Opportunity Home and attached to the lease.

(8) Opportunity Home Review of Lease

- (a) Opportunity Home will review the dwelling lease for compliance with all applicable requirements.

- (i) If the dwelling lease is incomplete or incorrect, Opportunity Home will notify the family and/or the owner of the deficiencies.
- (ii) Missing and corrected lease information will be accepted as hard copies, in-person, or by mail, email or fax. Opportunity Home will not accept missing or corrected information over the phone.
- (iii) Because the initial leasing process is time-sensitive, Opportunity Home will attempt to communicate with the owner and/or family in person, by phone, fax, or email. Opportunity Home will use mail when the parties cannot be reached by phone, fax, or email.

- (b) Opportunity Home 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 Opportunity Home determines that the lease does not comply with State or local law [24 CFR 982.308(c)].

9.1.F Tenancy Approval [24 CFR 982.305]

- (1) After receiving the family's RTA, with proposed dwelling lease, Opportunity Home must promptly notify the family and owner whether the assisted tenancy is approved.
- (2) Prior to approving the assisted tenancy and execution of a HAP contract, Opportunity Home must ensure that all required actions and determinations discussed in this chapter have been completed. These actions include ensuring that:
 - (a) the unit is eligible;
 - (b) the unit has been inspected by Opportunity Home and meets the Housing Quality Standards (HQS);
 - (c) the lease offered by the owner is approvable and includes the required Tenancy Addendum;
 - (d) the rent to be charged by the owner for the unit must be reasonable;
 - (e) 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 to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)];
 - (f) the owner is an eligible owner, not disapproved by Opportunity Home, with no conflicts of interest [24 CFR 982.306]; and
 - (g) 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)].
- (3) Opportunity Home will complete its determination within 10 business days of receiving all required information and confirming unit availability for the inspection.
- (4) If the terms of the proposed lease are changed for any reason, including but not limited to negotiation with Opportunity Home, Opportunity Home will obtain corrected copies of the proposed lease, signed by the family and the owner.
 - (a) Corrections to the proposed lease will only be accepted as hard copies, in-person, by mail, by email, or by fax. Opportunity Home will not accept corrections over the phone.
 - (b) Corrections to the RTA will be accepted as hard copies, in-person, by mail/email, by fax, or by phone.
- (5) If Opportunity Home determines that the tenancy cannot be approved for any reason, the family and owner will be contacted and given the opportunity to

address any reasons for disapproval. Opportunity Home will instruct the family on the steps that are necessary to approve the tenancy.

- (a) If the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.
- (b) If the tenancy is not approvable due to rent affordability (including rent burden and rent reasonableness), Opportunity Home will attempt to negotiate the rent with the owner.
 - (i) If a new, approvable rent is negotiated, the tenancy will be approved.
 - (ii) 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.

9.1.G HAP Contract Execution [24 CFR 982.305]

- (1) The HAP contract is a written agreement between Opportunity Home and the owner of the dwelling unit occupied by a housing choice voucher assisted family.
- (2) Under the HAP contract, Opportunity Home agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements.
- (3) The HAP contract format is prescribed by HUD.
- (4) If Opportunity Home has given approval for the family of the assisted tenancy, the owner and Opportunity Home execute the HAP contract.
- (5) The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].
- (6) Opportunity Home is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.
- (7) Opportunity Home 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.
- (8) Opportunity Home 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, Opportunity Home 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).

- (9) Any HAP contract executed after the 60-day period is void, and Opportunity Home may not pay any housing assistance payment to the owner.
- (10) All landlords are encouraged to attend a Landlord Orientation with Opportunity Home, in which the terms of the Tenancy Addendum and the HAP contract will be explained, prior to participating.
- (11) The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to Opportunity Home. Opportunity Home will ensure that both the owner and the assisted family receive copies of the dwelling lease.
- (12) The owner and Opportunity Home will execute the HAP contract. Opportunity Home will not execute the HAP contract until the owner has submitted IRS form W-9 and Direct Deposit Form. Opportunity Home will ensure that the owner receives a copy of the executed HAP contract.
- (13) As required under VAWA 2013, once the HAP contract and lease have been executed and the family has been admitted to the program, Opportunity Home will notify families of their rights under VAWA by providing all families with a copy of the domestic violence certification form (HUD-5382) as well as the VAWA notice of occupancy rights (HUD-5380).

See Chapter 13 for a discussion of the HAP contract and contract provisions.

9.1.H Changes in Lease or Rent [24 CFR 982.308]

- (1) 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 Opportunity Home a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.
- (2) Generally, Opportunity Home 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 Opportunity Home has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:
 - (a) Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
 - (b) Changes in lease provisions governing the term of the lease
 - (c) The family moves to a new unit, even if the unit is in the same building or complex
- (3) 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 altered terms. A new tenancy must then be approved in accordance with this chapter.

- (4) Where the owner is changing the amount of rent, the owner must notify Opportunity Home of any changes in the amount of the rent to owner at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)].
 - (a) Opportunity Home will agree to such rental change only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8.
 - (i) All requests for rental changes must be submitted 60 days before any such changes go into effect.
 - (ii) Opportunity Home will determine whether the requested change is reasonable, in accordance with Section 8.3.B, within 30-45 calendar days of receiving the request from the owner.
 - (iii) Upon making a determination, Opportunity Home will notify the owner in writing within 10 business days.
 - (b) If the requested rental change is an increase and is not found to be reasonable, the owner must either reduce the requested rental increase, or give the family notice in accordance with the terms of the lease.
- (5) No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

(6) Rental Increase Limit

- (a) In order to promote housing stability, Opportunity Home is limiting the number of rental increases to one processed request every 12 months.
 - (i) The proposed rental increase must still be determined reasonable in accordance with Section 8.3.B.

(7) Insufficient Funding

Opportunity Home will encourage landlords to defer requested rent increases on the grounds that Opportunity Home does not have sufficient funding to support the rent increase, if the following circumstances apply:

- (a) The rent adjustment is initiated by the owner, not Opportunity Home or HUD;
- (b) Opportunity Home can demonstrate the rent adjustment will result in higher subsidy costs; and
- (c) Opportunity Home can demonstrate, in accordance with the methodology in Section 16.8.B, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

(8) Financial Hardship for Exception Overlay

- (a) Opportunity Home will cap the increase of a household's tenant portion at 10 percent if the following apply:
 - (i) The household is currently under contract for a unit located in the exception overlay,
 - (ii) The landlord requests for an increase in rent after the first contract year and the rent is determined to be reasonable,
 - (iii) The household's new tenant portion increases by more than 10 percent from the current tenant portion, and
 - (iv) The new increase is not a result of a change in household circumstances.

See Section 6.3.C for Opportunity Home's policy on applying payment standards during requests for rental increase.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 10

**MOVING WITH CONTINUED ASSISTANCE
AND PORTABILITY**

Chapter 10: Moving with Continued Assistance and Portability

Freedom of choice is a hallmark of the housing choice voucher (HCV) program. In general, therefore, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and PHA policies governing moves within or outside Opportunity Home's jurisdiction in two parts:

PART 1: Moving with Continued Assistance

This part covers the general rules that apply to all moves by a family assisted under Opportunity Home's HCV program, whether the family moves to another unit within Opportunity Home's jurisdiction or to a unit outside Opportunity Home's jurisdiction under portability.

PART 2: Portability

This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into Opportunity Home's jurisdiction. This part also covers the special responsibilities that Opportunity Home has under portability regulations and procedures.

10.1 Moving With Continued Assistance

10.1.A Allowable Moves

HUD regulations list five conditions under which an assisted family is allowed to move to a new unit with continued assistance. Permission to move is subject to the restrictions set forth in section 10.1.B.

- (1) The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease [24 CFR 982.354(b)(3)].
 - (a) If the family terminates the lease on notice to the owner, the family must give Opportunity Home a copy of the notice at the same time [24 CFR 982.354(d)(1)].
- (2) The lease for the family's unit has been terminated by mutual agreement of the owner and the family [24 CFR 982.354(b)(1)(ii)].
 - (a) If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give Opportunity Home a copy of the termination agreement signed by both parties.
- (3) The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.354(b)(2)]. The family must give Opportunity Home a copy of any owner eviction notice [24 CFR 982.551(g)].
- (4) The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member [24 CFR 982.354(b)(4)]. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to Opportunity Home, if the family or family member who is the victim reasonably believed that they were imminently threatened by harm from further violence if they remained in the unit [24 CFR 982.354(b)(4), 24 CFR 982.353(b)].
- (5) Opportunity Home has adopted an emergency transfer plan as required by regulations at 24 CFR 5.2007(e), which is included as Exhibit 16-2 in this plan.

- (a) If a family requests permission to move with continued assistance based on a claim that the move is necessary 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, Opportunity Home will request documentation in accordance with section 16.9.D of this plan.
 - (b) Opportunity Home reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the family or family member will suffice. In such cases, Opportunity Home will document the waiver in a separate file.
- (6) Opportunity Home has terminated the HAP Contract for the family's unit for the owner's breach [24 CFR 982.354(b)(1)(i)].
 - (7) Opportunity Home determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
 - (a) In such cases, Opportunity Home must issue the family a new voucher, and the family and Opportunity Home must try to find an acceptable unit as soon as possible.
 - (b) If an acceptable unit is available for the family, Opportunity Home must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination.
 - (c) The HAP contract terminates at the end of the calendar month that follows the calendar month in which Opportunity Home gives notice to the owner. [24 CFR 982.403(a) and (c)].

10.1.B Restrictions on Moves

- (1) A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)].
- (2) HUD specifies two conditions under which Opportunity Home may deny a family permission to move and two ways in which Opportunity Home may restrict moves by a family.
- (3) **Denial of Moves**

HUD regulations permit Opportunity Home to deny a family permission to move under the following conditions:

(a) ***Insufficient Funding [Notice PIH 2016-09]***

Opportunity Home may deny a family permission to move if Opportunity Home does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)].

- (i) Opportunity Home will deny a family permission to move on grounds that Opportunity Home does not have sufficient funding for continued assistance if the following circumstances apply:
 - (A) the move is initiated by the family, not the owner or Opportunity Home;
 - (B) Opportunity Home can demonstrate that the move will result in higher subsidy costs;
 - (C) Opportunity Home can demonstrate, in accordance with the methodology in Section 16.8.B, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs; and
 - (D) for portability moves, the receiving PHA is not absorbing the voucher.
- (ii) This policy applies to moves within Opportunity Home's jurisdiction as well as to moves outside it under portability.
- (iii) Opportunity Home will consider family requests to move for financial hardships, and will comply with VAWA and Fair Housing requirements.
- (iv) Opportunity Home will deny all family requests to port out of Opportunity Home's jurisdiction, unless the receiving PHA agrees to absorb the family.

(b) ***Grounds for Denial or Termination of Assistance***

Opportunity Home has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

- (i) VAWA creates an exception to these restrictions for families who are otherwise in compliance with program obligations, but have moved to protect the health or safety of an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and who reasonably believed they were imminently threatened by harm from further violence if they remained in the unit. [Pub.L. 109-162].

- (ii) Opportunity Home will deny the family permission to move in the following circumstances:

- (A) If Opportunity Home has mailed the participant a Notice of Intent to Terminate Program Assistance;
 - (B) If the participant has vacated the unit in violation of the lease; and
 - (C) If the participant has been evicted from the unit.
- (iii) If Opportunity Home has grounds for denying or terminating a family's assistance, Opportunity Home will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. Opportunity Home may deny a family permission to move for this reason.

Refer to sections 3.3.G and 12.2.E for VAWA provisions.

(4) **Restrictions on Elective Moves [24 CFR 982.354(c), Notice PIH 2016-09]**

- (a) HUD regulations permit Opportunity Home to prohibit any elective move by a participant family during the family's initial lease term.

- (i) Opportunity Home will deny a family permission to make an elective move during the family's initial lease term.
 - (A) This policy applies to all assisted families residing in Opportunity Home's jurisdiction.
 - (B) Opportunity Home will consider exceptions to these policies for the following reasons:
 - (1) To protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs),
 - (2) To address an emergency situation over which a family has no control, or
 - (3) For purposes of reasonable accommodation of a family member who is a person with disabilities.

- (b) HUD regulations permit Opportunity Home to prohibit more than one elective move by a participant family during any 12-month period.

- (i) Opportunity Home will deny a family permission to make more than one elective move during any 12-month period.
 - (A) This policy applies to all assisted families residing in Opportunity Home's jurisdiction.
 - (B) Opportunity Home will consider exceptions to these policies for the following reasons:

- (1) To protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs),
 - (2) To accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area), or
 - (3) To address an emergency situation over which a family has no control.
- (c) The above prohibitions do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member.
- (d) Opportunity Home may not establish a policy permitting moves only at reexamination [Notice PIH 2016-09].

10.1.C Moving Process

(1) Notification

- (a) If a family wishes to move to a new unit, the family must notify Opportunity Home and the owner before moving out of the old unit or terminating the lease on notice to the owner [24 CFR 982.354(d)(2)].
- (b) If the family wishes to move to a unit outside Opportunity Home's jurisdiction under portability, the notice to Opportunity Home must specify the area where the family wishes to move [24 CFR 982.354(d)(2)]. The notices must be in writing [24 CFR 982.5].

(2) Approval

- (a) Upon receipt of a family's notification that it wishes to move, Opportunity Home will determine whether the move is approvable in accordance with the regulations and policies set forth in sections 10.1.A and 10.1.B.
- (b) Opportunity Home will notify the family in writing of its determination within 10 business days following receipt of the family's notification.

(3) Reexamination of Family Income and Composition

- (a) For families approved to move to a new unit within Opportunity Home's jurisdiction, Opportunity Home will perform a reexamination in accordance with the policies set forth in Chapter 11 of this plan.

- (b) For families moving into or families approved to move out of Opportunity Home's jurisdiction under portability, Opportunity Home will follow the policies set forth in 10.2.

(4) **Voucher Issuance and Briefing**

- (a) For families approved to move to a new unit within Opportunity Home's jurisdiction, Opportunity Home will issue a new voucher within 10 business days of Opportunity Home's written approval to move.
 - (i) A briefing is required for these families.
 - (ii) Opportunity Home will follow the policies set forth in Chapter 5 on voucher term, extension, and expiration.
 - (iii) If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and Opportunity Home approves. Otherwise, the family will lose its assistance.
- (b) For families moving into or families approved to move out of Opportunity Home's jurisdiction under portability, Opportunity Home will follow the policies set forth in 10.2.

(5) **Housing Assistance Payments [24 CFR 982.311(d)]**

- (a) When a family moves out of an assisted unit, Opportunity Home may not make any housing assistance payment to the owner for any month after the month the family moves out.
- (b) The owner may keep the housing assistance payment for the month when the family moves out of the unit.
- (c) If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit.
- (d) Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit is not considered to constitute a duplicative housing subsidy.

(6) **Zero HAP Families Who Wish to Move [24 CFR 982.455]**

- (a) A participant who is not receiving any subsidy, but whose HAP contract is still in force, may request a voucher to move to a different unit. The PHA must issue a voucher to move unless it has grounds to deny assistance under the program regulations. However, if the PHA determines no subsidy would be paid at the new unit, the PHA may refuse to enter into a HAP contract on behalf of the family.

- (b) If a zero HAP family requests to move to a new unit, the family may request a voucher to move. However, if no subsidy will be paid at the unit to which the family requests to move, the PHA will not enter into a HAP contract on behalf of the family for the new unit.

10.2 Portability

10.2.A Overview

- (1) Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program [24 CFR 982.353(b)].
 - (a) The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another PHA is known as portability.
 - (b) The first PHA is called the **initial PHA**. The second is called the **receiving PHA**.
- (2) The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program [Notice PIH 2016-09].
 - (a) Under the first option, the receiving PHA bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
 - (b) Under the second option, the receiving PHA pays for the family's assistance out of its own program funds, and the initial PHA has no further relationship with the family.
- (3) Opportunity Home commonly acts as the initial PHA for some families and as the receiving PHA for others. Each role involves different responsibilities.
 - (a) Opportunity Home will follow the rules and policies in section 10.2.B when it is acting as the initial PHA for a family.
 - (b) It will follow the rules and policies in section 10.2.C when it is acting as the receiving PHA for a family.
- (4) In administering portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required forms [24 CFR 982.355(e)(5)].
- (5) Opportunity Home must also comply with billing and payment deadlines. HUD may reduce an administrative fee to an initial or receiving PHA if Opportunity Home does not comply with HUD portability requirements [24 CFR 982.355(e)(7)].

10.2.B Initial PHA Role

(1) Allowable Moves under Portability

- (a) A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program [24 CFR 982.353(b)]. If there is more than one PHA in the area, the family may choose the receiving PHA [24 CFR 982.355(b); FR 09/21/15].
- (b) Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside Opportunity Home's jurisdiction under portability. Opportunity Home, in accordance with HUD regulations and Opportunity Home policy, determines whether a family qualifies.
- (c) **Applicant Families**
 - (i) Under HUD regulations, most applicant families qualify to lease a unit outside Opportunity Home's jurisdiction under portability. However, HUD gives Opportunity Home discretion to deny a portability move by an applicant family for the same two reasons that it may deny any move by a participant family:
 - (A) Insufficient funding; and
 - (B) Grounds for denial or termination of assistance.
 - (ii) If Opportunity Home intends to deny a family permission to move under portability due to insufficient funding, Opportunity Home must notify HUD within 10 business days of the determination to deny the move [24 CFR 982.355(e), FR 09/21/15].
 - (iii) In determining whether or not to deny an applicant family permission to move under portability because Opportunity Home lacks sufficient funding or has grounds for denying assistance to the family, Opportunity Home will follow the policies established in section 10.1.B.
- (d) In addition, Opportunity Home may establish a policy denying the right to portability to nonresident applicants during the first 12 months after they are admitted to the program [24 CFR 982.353(c)].
 - (i) If neither the head of household nor the spouse/cohead of an applicant family had a domicile (legal residence) in Opportunity Home's jurisdiction at the time the family's application for assistance was submitted, the family must live in Opportunity Home's jurisdiction with voucher assistance for at least 12 months before requesting portability.

- (ii) Opportunity Home will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, or stalking. However, any exception to this policy is subject to the approval of the receiving PHA [24 CFR 982.353(c)(3)].

(e) **Participant Families**

Opportunity Home must not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease [24 CFR 982.353(b)].

- (i) The Violence Against Women Act of 2013 (VAWA) creates an exception to this prohibition for families who are otherwise in compliance with program obligations but have moved to protect the health or safety of an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed they were imminently threatened by harm from further violence if they remained in the unit.

- (ii) Opportunity Home will determine whether a participant family may move out of Opportunity Home's jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in sections 10.1.A and 10.1.B of this chapter. Opportunity Home will notify the family of its determination in accordance with the approval policy set forth in section 10.1.C.

(2) **Determining Income Eligibility**

(a) **Applicant Families**

- (i) An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area [24 CFR 982.353(d)(1)]. The family must specify the area to which the family wishes to move [24 CFR 982.355(c)(1)].
- (ii) Opportunity Home is responsible for determining whether the family is income eligible in the area to which the family wishes to move [24 CFR 982.353(d)(1), 24 CFR 982.355(9)]. If the applicant family is not income eligible in that area, Opportunity Home must inform the family that it may not move there and receive voucher assistance [Notice PIH 2016-09].

(b) **Participant Families**

The income eligibility of a participant family is not redetermined if the family moves to a new jurisdiction under portability [24 CFR 982.353(d)(2)].

(3) **Reexamination of Family Income and Composition**

- (a) No new reexamination of family income and composition is required for an applicant family.
- (b) For a participant family approved to move out of its jurisdiction under portability, Opportunity Home will not conduct a reexamination of family income and composition.
- (c) Opportunity Home will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

(4) **Briefing**

- (a) The regulations and policies on briefings set forth in Chapter 5 of this plan require Opportunity Home to provide information on portability to all applicant families that qualify to lease a unit outside Opportunity Home's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.
- (b) No formal briefing will be required for a participant family wishing to move outside Opportunity Home's jurisdiction under portability. However, Opportunity Home will provide the family with the same verbal explanation of portability that it provides to applicant families selected for admission to the program (see Chapter 5).
 - (i) Opportunity Home will provide the name, address, and phone of the contact for the PHA in the jurisdiction to which they wish to move.
 - (ii) Opportunity Home will advise the family that they will be under the receiving housing authority's policies and procedures, including screening, subsidy standards, voucher extension policies, and payment standards.

(5) **Voucher Issuance and Term**

- (a) An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)].
- (b) In issuing vouchers to applicant families, Opportunity Home will follow the regulations and procedures set forth in Chapter 5.
- (c) A new voucher is not required for portability purposes.
- (d) For families approved to move under portability, Opportunity Home will issue a new voucher within 10 business days of Opportunity Home's written approval to move. The initial term of the voucher will be 60 days.

(6) **Voucher Extensions and Expiration**

- (a) Opportunity Home will not approve an extension for a voucher issued to an applicant or participant family porting out of Opportunity Home's jurisdiction, except under the following circumstances:
 - (i) The initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA;
 - (ii) The family decides to return to Opportunity Home's jurisdiction and search for a unit there; or
 - (iii) The family decides to search for a unit in a third PHA's jurisdiction.
- (b) The policies on voucher extensions set forth in section 5.2.E apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.
- (c) To receive or continue receiving assistance under Opportunity Home's voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving PHA's jurisdiction within 60 days following the expiration date of Opportunity Home's voucher term (including any extensions). See 10.2.B(9) below for one exception to this policy.

(7) **Initial Contact with the Receiving PHA**

- (a) After approving a family's request to move under portability, Opportunity Home must:
 - (i) Promptly notify the receiving PHA via email or other confirmed delivery method to expect the family [24 CFR 982.355(c)(3), 24 CFR 982.355(c)(7)]; and
 - (A) Opportunity Home will notify the receiving PHA by phone, fax, or email, to expect the family.
 - (B) Opportunity Home will ask for the name, address, telephone number, fax number, and email address of the person responsible for processing the billing information.
 - (ii) Advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(6)].
 - (A) Opportunity Home will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax number, email address and telephone number of the staff person responsible for business with incoming portable

families, and the procedures related to appointments for voucher issuance.

(B) Opportunity Home will pass this information along to the family.

(8) Sending Documentation to the Receiving PHA

- (a) Opportunity Home is required to send the receiving PHA the following documents:
 - (i) Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2016-09];
 - (ii) A copy of the family's voucher [Notice PIH 2016-09];
 - (iii) A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(7), Notice PIH 2016-09]; and
 - (iv) Copies of the income verifications backing up the form HUD-50058 [24 CFR 982.355(c)(7), Notice PIH 2016-09].

- (b) In addition to these documents, Opportunity Home will provide the following information, if available, to the receiving PHA:
 - (i) Social Security numbers (SSNs);
 - (ii) Documentation of SSNs for all family members age 6 and over;
 - (iii) Documentation of legal identity;
 - (iv) Documentation of participation in the earned income disallowance (EID) benefit; and
 - (v) Documentation of participation in a family self-sufficiency (FSS) program.

(9) Initial Billing Deadline [Notice PIH 2016-09]

- (a) The deadline for submission of initial billing is 90 days following the expiration date of the voucher issued to the family by Opportunity Home.
- (b) In cases where suspension of the voucher delays the initial billing submission, the receiving PHA must notify Opportunity Home of delayed billing before the billing deadline and document the delay is due to the suspension. In this case, Opportunity Home must extend the billing deadline by 30 days.

- (c) If Opportunity Home does not receive a billing notice by the deadline and does not intend to honor a late billing submission, the receiving PHA must notify Opportunity Home in writing.
- (d) Opportunity Home may report to HUD the receiving PHA's failure to comply with the deadline.
- (e) If Opportunity Home will honor the late billing, no action is required.

(i) If Opportunity Home has not received an initial billing notice from the receiving PHA by the deadline specified on form HUD-52665, it will contact the receiving PHA by phone, fax, or email within 10 business days.

- (f) If the receiving PHA reports that the family is not yet under HAP contract, Opportunity Home may refuse to accept a late billing submission.

(i) If the PHA reports that the family is not yet under HAP contract, Opportunity Home will inform the receiving PHA that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. Opportunity Home will send the receiving PHA a written confirmation of its decision by mail.

(ii) Opportunity Home will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

- (g) If the receiving PHA reports that the family is under HAP contract and the receiving PHA cannot absorb the family, Opportunity Home must accept a late billing submission; however, it may report to HUD the receiving PHA's failure to comply with the deadline.

(10) Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2016-09]

- (a) If the receiving PHA is administering the family's voucher, the receiving PHA bills Opportunity Home for housing assistance payments and administrative fees.
 - (i) When reimbursing for administrative fees, Opportunity Home must promptly reimburse the receiving PHA for the lesser of 80 percent of the Opportunity Home's ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing Opportunity Home under portability.

- (ii) If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill [24 CFR 982.355(e)(2)].
 - (b) Opportunity Home is responsible for making billing payments in a timely manner.
 - (i) The first billing amount is due within 30 calendar days after Opportunity Home receives Part II of form HUD-52665 from the receiving PHA.
 - (ii) Subsequent payments must be received by the receiving PHA no later than the fifth business day of each month.
 - (iii) The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.
 - (c) Opportunity Home may not terminate or delay making payments under existing portability billing arrangements as a result of over leasing or funding shortfalls. Opportunity Home must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs as well as for families that remain within its jurisdiction.
- (11) **Annual Updates of Form HUD-50058**
 - (a) If Opportunity Home is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA.
 - (b) If Opportunity Home fails to receive an updated 50058 by the family's annual reexamination date, Opportunity Home should contact the receiving PHA to verify the status of the family.
- (12) **Subsequent Family Moves**
 - (a) ***Within the Receiving PHA's Jurisdiction [24 CFR 314(e)(1), Notice PIH 2005-1]***
 - (i) Opportunity Home has the authority to deny subsequent moves by portable families whom it is assisting under portability billing arrangements if it does not have sufficient funding for continued assistance.
 - (A) If Opportunity Home determines that it must deny moves on the grounds that it lacks sufficient funding (see section 10.1.B), it will notify all receiving PHAs with which it has entered into portability billing arrangements that they, too, must deny moves to higher cost units by portable families from Opportunity Home's jurisdiction.

(ii) Opportunity Home will allow exceptions to this policy for purposes of reasonable accommodation of a family member who is a person with disabilities.

(b) ***Outside the Receiving PHA's Jurisdiction [Notice PIH 2004-12]***

(i) If Opportunity Home is assisting a portable family under a billing arrangement and the family subsequently decides to move out of the receiving PHA's jurisdiction, Opportunity Home is responsible for issuing the family a voucher while the family is either being assisted or has a voucher from the receiving PHA and, if the family wishes to port to another jurisdiction, sending form HUD-52665 and supporting documentation to the new receiving PHA.

(ii) Any extensions of the Opportunity Home voucher necessary to allow the family additional search time to return to Opportunity Home's jurisdiction or to move to another jurisdiction would be at the discretion of Opportunity Home.

(13) **Denial or Termination of Assistance [24 CFR 982.355(c)(9)]**

At any time, either Opportunity Home or the receiving PHA may make a determination to deny or terminate assistance with the family in accordance with 24 CFR 982.552 and 24 CFR 982.553.

For Opportunity Home policies on denial and termination, see Chapters 3 and 12, respectively.

10.2.C Receiving PHA Role

- (1) If a family has a right to lease a unit in Opportunity Home's jurisdiction under portability, Opportunity Home must provide assistance for the family [24 CFR 982.355(10)].
 - (a) HUD may determine in certain instances that a PHA is not required to accept incoming portable families such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families [24 CFR 982.355(b)].
- (2) Administration of the voucher must be in accordance with Opportunity Home's policies. This requirement also applies to policies of Moving to Work agencies.
- (3) Opportunity Home's procedures and preferences for selection among eligible applicants do not apply to the family, and Opportunity Home's waiting list is not used [24 CFR 982.355(c)(10)].
- (4) The family's unit, or voucher, size is determined in accordance with Opportunity Home's subsidy standards [24 CFR 982.355(c)(12)].

- (5) Opportunity Home’s policies on extension of the voucher term apply [24 CFR 982.355(c)(14)].

- (6) **Initial Contact with Family**

- (a) When a family moves into Opportunity Home’s jurisdiction under portability, the family is responsible for promptly contacting Opportunity Home and complying with Opportunity Home’s procedures for incoming portable families. The family’s failure to comply may result in denial or termination of the receiving PHA’s voucher [24 CFR 982.355(c)(8)].
- (b) If the voucher issued to the family by the initial PHA has expired, Opportunity Home must contact the initial PHA to determine if it will extend the voucher [24 CFR 982.355(c)(13)].
- (c) An informal hearing is not required when a voucher has expired without the family leasing a unit.
- (d) When a portable family requests assistance from Opportunity Home, Opportunity Home must promptly inform the initial PHA whether Opportunity Home will bill the initial PHA for assistance on behalf of the portable family or will absorb the family into its own program [24 CFR 982.355(c)(3)].

(i) Within 10 business days after the portable family requests assistance, Opportunity Home will notify the initial PHA whether it intends to bill Opportunity Home on behalf of the portable family or absorb the family into its own program.

(ii) If Opportunity Home initially bills the initial PHA for the family’s assistance, Opportunity Home cannot reverse its decision at a later date without consent of the initial PHA (24 CFR 982.355(c)(4)).

- (e) If for any reason Opportunity Home refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing [Notice PIH 2016-09]. (For more on this topic, see later under “Denial or Termination of Assistance”).

- (7) **Briefing**

HUD allows Opportunity Home to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family’s search [Notice PIH 2016-09].

- (a) Opportunity Home will require the family to attend a briefing.

- (b) Opportunity Home will provide the family with a briefing packet (as described in Chapter 5) and, in an individual briefing, will verbally inform the family about Opportunity Home's:
 - (i) Payment and subsidy standards;
 - (ii) Procedures for requesting approval of a unit;
 - (iii) Unit inspection process; and
 - (iv) Leasing process.

(8) **Income Eligibility and Reexamination**

- (a) Opportunity Home does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA's voucher program [24 CFR 982.355(c)(9)].
- (b) If Opportunity Home opts to conduct a new reexamination for a current participant family, Opportunity Home may not delay issuing the family a voucher or otherwise delay approval of a unit [24 CFR 982.355(c)(11)].

- (c) For any family moving into its jurisdiction under portability, Opportunity Home will conduct a new reexamination of family income and composition.
 - (i) Opportunity Home will not delay issuing the family a voucher for this reason.
 - (ii) Opportunity Home will not delay approving a unit for the family until the reexamination process is complete, unless:
 - (A) The family is an applicant family, and
 - (B) Opportunity Home cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

- (d) In conducting its own reexamination, Opportunity Home will rely upon any verification provided by the initial PHA to the extent that they:
 - (i) Accurately reflect the family's current circumstances, and
 - (ii) Were obtained within the last 120 days.
- (e) Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

(9) **Voucher Issuance**

- (a) When a family moves into its jurisdiction under portability, Opportunity Home is required to issue the family a voucher [24 CFR 982.355(c)(13)].

- (b) The family must submit a request for tenancy approval to Opportunity Home during the term of Opportunity Home's voucher [24 CFR 982.355(c)(15)].

- (c) **Timing of Voucher Issuance**

HUD expects Opportunity Home to issue the voucher within two weeks after receiving the family's paperwork from the initial PHA if the information is in order, the family has contacted Opportunity Home, and the family complies with Opportunity Home's procedures [Notice PIH 2016-09].

- (i) When a family ports into its jurisdiction, Opportunity Home will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with Opportunity Home's procedures.
- (ii) Opportunity Home will update the family's information when verification has been completed.

- (d) **Voucher Term**

The term of Opportunity Home's voucher may not expire before 30 calendar days from the expiration date of the initial PHA's voucher [24 CFR 982.355(c)(13); FR 09/21/15]. If the initial PHA extends the term of the voucher, Opportunity Home's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

- (i) Opportunity Home's voucher will expire on 30 calendar days from the expiration date of the initial PHA's voucher.
- (ii) If the initial PHA extends the term of the voucher, Opportunity Home's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

- (e) **Voucher Extensions [24 CFR 982.355(c)(14), Notice 2016-09]**

- (i) Once Opportunity Home issues the portable family a voucher, Opportunity Home's policies on extensions of the voucher term apply. Opportunity Home must inform the initial PHA of any extension granted to the term of the voucher. It must also bear in mind the billing deadline provided by the initial PHA.

- (A) Opportunity Home generally will not extend the term of the voucher that it issues to an incoming portable family unless Opportunity Home plans to absorb the family into its own

program, in which case it will follow the policies on voucher extension set forth in section 5.2.E.

(B) Opportunity Home will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

(ii) Unless willing and able to absorb the family, Opportunity Home should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

(f) ***Voucher Suspensions [24 CFR 982.303, 24 CFR 355(c)(15)]***

(i) If the family submits a request for tenancy approval during the term of Opportunity Home's voucher, Opportunity Home must suspend the term of the voucher.

(ii) The term of the voucher stops from the date that the family submits a request for PHA approval of the tenancy until the date Opportunity Home notifies the family in writing whether the request has been approved or denied [24 CFR 982.4(b)].

(10) **Notifying the Initial PHA**

(a) Opportunity Home must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the Opportunity Home's voucher [24 CFR 982.355(c)(8)]. Opportunity Home is required to use Part II of form HUD-52665, Family Portability Information, for this purpose [Notice PIH 2016-09]. (For more on this topic and the deadline for notification, see below under "Administering a Portable Family's Voucher").

(b) If an incoming portable family ultimately decides not to lease in Opportunity Home's jurisdiction but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, Opportunity Home must refer the family back to the initial PHA.

(i) In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA.

(ii) Any extension of search time provided by Opportunity Home's voucher is only valid for the family's search Opportunity Home's jurisdiction [Notice PIH 2016-09].

(11) **Administering a Portable Family's Voucher**

(a) **Portability Billing [24 CFR 982.355(e)]**

- (i) To cover assistance for a portable family that was not absorbed, Opportunity Home bills the initial PHA for housing assistance payments and administrative fees.
 - (A) The amount of the housing assistance payment for a portable family in Opportunity Home's program is determined in the same manner as for other families in the Opportunity Home's program.
- (ii) Opportunity Home may bill the initial PHA for the lesser of 80 percent of the initial PHA's ongoing administrative fee or 100 percent of Opportunity Home's administrative fee for each program unit under contract on the first day of the month for which Opportunity Home is billing the initial PHA under portability.
- (iii) If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which Opportunity Home may bill (i.e., Opportunity Home may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of Opportunity Home's ongoing administrative fee).
- (iv) If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

(b) **Initial Billing Deadline**

- (i) If a portable family's search for a unit is successful and Opportunity Home intends to administer the family's voucher, Opportunity Home must submit its initial billing notice (Part II of form HUD-52665) in time that the notice will be received no later than 90 days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2016-09].
 - (ii) This deadline may be extended for 30 additional days if the delay is due to suspension of the voucher's term (see Initial Billing Section).
- (c) A copy of the family's form HUD-50058, Family Report, completed by Opportunity Home must be attached to the initial billing notice.
- (i) Opportunity Home may send these documents by mail, fax, or email.
 - (ii) Opportunity Home will send its initial billing notice by fax or email, if necessary, to meet the billing deadline.
- (d) If Opportunity Home fails to send the initial billing by the deadline, it is required to absorb the family into its own program unless:

- (i) The initial PHA is willing to accept the late submission; or
 - (ii) HUD requires the initial PHA to honor the late submission (e.g., because Opportunity Home is overleased) [Notice PIH 2016-09].
- (e) **Ongoing Notification Responsibilities [Notice PIH 2016-09, HUD-52665]**
- (i) **Annual Reexamination.** Opportunity Home must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time Opportunity Home is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.
 - (A) Opportunity Home will send a copy of the updated HUD-50058 by fax or email within 10 business days after the effective date of the reexamination.
 - (ii) **Change in Billing Amount.** Opportunity Home is required to notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:
 - (A) A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
 - (B) An abatement or subsequent resumption of the HAP payments
 - (C) Termination of the HAP contract
 - (D) Payment of a damage/vacancy loss claim for the family
 - (E) Termination of the family from the program
 - (1) The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change.
 - (2) Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.
 - (3) If the change resulted in a decrease in the monthly billing amount, the initial PHA will offset future monthly payments until the difference is reconciled.
- (f) **Late Payments [Notice PIH 2016-09]**
- (i) If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, Opportunity Home must promptly notify the initial PHA in writing of the deficiency.

- (A) The notice must identify the family, the amount of the billing payment, the date the billing payment was due, and the date the billing payment was received (if it arrived late).
 - (B) Opportunity Home must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over Opportunity Home.
- (ii) If the initial PHA fails to correct the problem by the second month following the notification, Opportunity Home may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the unit in question.
- (A) A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached.
 - (B) Opportunity Home must send a copy of the memorandum to the initial PHA.
 - (C) If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to Opportunity Home.
- (g) **Overpayments [Notice PIH 2016-09]**
- (i) In all cases where Opportunity Home has received billing payments for billing arrangements no longer in effect, Opportunity Home is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.
 - (ii) In the event that HUD determines billing payments have continued for at least three months because Opportunity Home failed to notify the initial PHA that the billing arrangement was terminated, Opportunity Home must take the following steps:
 - (A) Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
 - (B) Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over Opportunity Home of the date and the amount of reimbursement to the initial PHA.
 - (iii) At HUD's discretion, Opportunity Home will be subject to the sanctions spelled out in Notice PIH 2016-09.

(h) **Denial or Termination of Assistance**

- (i) At any time, Opportunity Home may make a determination to deny or terminate assistance to a portable family for family action or inaction [24 CFR 982.355(c)(17)].
- (ii) In the case of a termination, Opportunity Home should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should Opportunity Home fail to notify the initial PHA later than 10 business days following the effective date of the termination of the billing arrangement [HUD-52665; Notice PIH 2016-09].

- (A) If Opportunity Home elects to deny or terminate assistance for a portable family, Opportunity Home will notify the initial PHA within 10 business days after the informal review or hearing if the denial or termination is upheld.
- (iii) Opportunity Home will base its denial or termination decision on the policies set forth in Chapter 3 or Chapter 12, respectively.
- (iv) The informal review or hearing will be held in accordance with the policies in Chapter 16. Opportunity Home will furnish the initial PHA with a copy of the review of the hearing decision.

(12) **Absorbing a Portable Family**

- (a) Opportunity Home may absorb an incoming portable family into its own program when Opportunity Home executes a HAP contract on behalf of the family or at any time thereafter providing that Opportunity Home has funding available under its annual contributions contract (ACC) [24 CFR 982.355(d)(1), Notice PIH 2016-09].
- (b) If Opportunity Home absorbs a family from the point of admission, the admission will be counted against the income-targeting obligation of Opportunity Home [24 CFR 982.201(b)(2)(vii)].
- (c) If Opportunity Home absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, Opportunity Home must send an updated form HUD-52665 to the initial PHA no later than 10 business days following the effective date of the termination of the billing arrangement [Notice PIH 2016-09].

- (i) If Opportunity Home decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, Opportunity Home will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

- (ii) If Opportunity Home decides to absorb a family after the initial execution of the contract, it will provide the initial PHA with 30 days' advance notice but no later than 10 business days following the effective date of the termination of the billing amount.
- (d) Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for Opportunity Home's voucher program [24 CFR 982.355(d)], and Opportunity Home becomes the initial PHA in any subsequent moves by the family under portability [24 CFR 982.355(e)(4)].



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 11

REEXAMINATIONS

Chapter 11: Reexaminations

Opportunity Home is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations.

This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and Opportunity Home policies concerning reexaminations are presented in three parts:

PART 1: Annual Reexaminations

This part discusses the process for conducting annual reexaminations.

PART 2: Interim Reexaminations

This part details the requirements for families to report changes in family income and composition between annual reexaminations.

PART 3: Recalculating Family Share and Subsidy Amount

This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

11.1 Annual Reexaminations [24 CFR 982.516]

11.1.A Overview

- (1) Opportunity Home must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

11.1.B Streamlined Annual Reexaminations [24 CFR 982.516(b)]

- (1) HUD permits Opportunity Home to streamline the income determination process for family members with fixed sources of income.
- (2) While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years Opportunity Home may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest.
- (3) Opportunity Home may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, Opportunity Home must perform third-party verification of all income sources.
- (4) Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest.
- (5) The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.
- (6) Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources. If at least 90 percent of the family's income is from fixed sources, Opportunity Home may streamline the verification of fixed income and may choose whether to verify non-fixed income amounts in years where no fixed-income review is required. If the family receives less than 90 percent of its income from fixed sources, Opportunity Home may streamline the verification of fixed income and must verify non-fixed income annually.

11.1.C Scheduling Annual Reexaminations

- (1) Opportunity Home must establish a policy to ensure that the annual reexamination for each family is completed within a 12-month period, and may require reexaminations more frequently [HCV GB p. 12-1].

- (a) Opportunity Home will begin the annual reexamination process at least 120 days in advance of its scheduled effective date.
- (b) Generally, Opportunity Home will schedule annual reexamination effective dates to coincide with the family's anniversary date. Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).
- (c) If the family moves to a new unit, Opportunity Home will perform a new annual reexamination, unless a reexamination has been conducted within the last 120 days.
- (d) Opportunity Home also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

(e) **Triennial Recertifications**

Opportunity Home will conduct a recertification of household income and family composition every three years if the household meets the criteria:

- (i) The household has at least one elderly and/or disabled member, and
- (ii) The household receives 100 percent of their income from fixed income sources.
 - (A) Opportunity Home defines fixed income as Social Security (SS), Supplemental Security Income (SSI), and/or pension.

(f) **Biennial Recertifications**

For participant households not meeting the requirements of the triennial recertification cycle, Opportunity Home will conduct a recertification of household income and family composition every two years.

(g) **Next Step Housing Program Recertifications**

Next Step Housing Program participants will have an annual recertification every 12 months and will not follow alternative recertification processes established under FY2019-2: Alternate Recertification Process (PH and HCV).

(2) **Notification of and Participation in the Annual Reexamination Process**

- (a) Opportunity Home is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of Opportunity Home.

- (i) All adult household members must attend the annual reexamination appointment.
- (ii) If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact Opportunity Home to request a reasonable accommodation (see Chapter 2).
- (iii) Opportunity Home may conduct reexaminations by mail. For reexaminations by mail, family members will not be required to attend a reexamination appointment.
- (iv) Notification of annual reexamination interviews will be sent by first-class mail or email and will contain the date, time, and location of the interview. It will also inform the family of the information and documentation that must be brought to the interview.
- (v) If a family fails to attend a scheduled interview without Opportunity Home approval, or if the notice is returned by the post office with no forwarding address, Opportunity Home may consider the family to have violated its family obligations. This may result in termination of the family's assistance in accordance with Chapter 12.
- (vi) The family may request to reschedule an interview for good cause, or if it is needed as a reasonable accommodation for a person with disabilities.
 - (A) "Good cause" is defined as a conflict that seriously affects the health or safety of the family. Such conflicts include hospitalization, illness or other situations that qualify, as determined by Opportunity Home.
 - (B) Opportunity Home will request documentation of the "good cause" reason prior to rescheduling.
 - (C) Requests to reschedule will be considered on a case-by-case basis.
- (vii) An advocate, interpreter, or other assistant may assist the family in the interview process. The family and Opportunity Home must execute a certification attesting to the role and assistance of any such third party.

- (b) Opportunity Home is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of Opportunity Home.

11.1.D Conducting Annual Reexaminations

- (1) As part of the annual reexamination process, families are required to provide updated information to Opportunity Home regarding the family's income, expenses, and composition [24 CFR 982.551(b)].
 - (a) Opportunity Home will ask each family to bring all required information (as described in the reexamination notice) to the reexamination appointment. For reexaminations by mail, the family will be required to mail all required information. The required information will include:
 - (i) An Opportunity Home-designated reexamination form;
 - (ii) An Authorization for the Release of Information/Privacy Act Notice; and
 - (iii) Supporting documentation related to the family's income, expenses, and family composition.
 - (b) Opportunity Home will ask and verify if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.
- (2) The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:
 - (a) Legal identity
 - (b) Age
 - (c) Social security numbers
 - (d) A person's disability status
 - (e) Citizenship or immigration status
- (3) If adding a new family member to the unit causes overcrowding according to the Housing Quality Standards (HQS) (see Chapter 8), Opportunity Home must issue the family a new voucher, and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, Opportunity Home must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

11.1.E Determining Ongoing Eligibility Of Certain Students [24 CFR 982.552(b)(5)]

- (1) Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.
- (2) If a student enrolled in 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 student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis.
 - (a) In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance.
 - (b) If, however, a student in these circumstances is determined independent from their parents or is considered a *vulnerable youth* in accordance with Opportunity Home policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.
- (3) Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.
- (4) During the annual reexamination process, Opportunity Home will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents.
 - (a) If the student has been determined "independent" from their parents or is considered a *vulnerable youth* based on the policies in sections 3.2.E and 7.2.E, the parents' income will not be reviewed.
 - (b) If the student is no longer income eligible based on their own income or the income of their parents, the student's assistance will be terminated in accordance with the policies in Section 12.1.D.
 - (c) If the student continues to be income eligible based on their own income and the income of their parents (if applicable), Opportunity Home will process a reexamination in accordance with the policies in this chapter.

11.1.F Effective Dates

Opportunity Home must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

- (1) In general, an *increase* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.
 - (a) If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.
 - (b) If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.
 - (c) If Opportunity Home chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by Opportunity Home, but will always allow for the 30-day notice period.
 - (d) If the family causes a delay in processing the annual reexamination, increases in the family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.
- (2) In general, a *decrease* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.
 - (a) If a family moves to a new unit, the decrease will be effective the first of the month following a full 30-day occupancy.
 - (b) If Opportunity Home chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, Opportunity Home will determine the effective date.
 - (c) If the family causes a delay in processing the annual reexamination, decreases in the family share of rent will be applied prospectively, from the first day of the month following completion of the reexamination processing. Delays in reexamination processing are considered to be caused by the family if:
 - (i) The family fails to provide information requested by Opportunity Home by the date specified, and
 - (ii) This delay prevents Opportunity Home from completing the reexamination as scheduled.

11.2 Interim Reexaminations [24 CFR 982.516]

11.2.A Overview

- (1) Family circumstances may change throughout the period between annual reexaminations. HUD and Opportunity Home policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances Opportunity Home must process interim reexaminations to reflect those changes.
- (2) HUD regulations also permit Opportunity Home to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].
- (3) In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. Opportunity Home must complete the interim reexamination within a reasonable time after the family's request.
- (4) This part includes HUD and Opportunity Home policies describing what changes families are required to report, what changes families may choose to report, and how Opportunity Home will process both Opportunity Home - and family-initiated interim reexaminations.

11.2.B Changes In Family And Household Composition

- (1) Opportunity Home must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to family obligations under the program, Opportunity Home has limited discretion in this area.
 - (a) Opportunity Home will conduct interim reexaminations to account for any changes in household composition that occur between regularly scheduled reexaminations.
- (2) **New Family Members Not Requiring Approval**
 - (a) The addition of a family member as a result of birth, adoption, or court-awarded custody does not require Opportunity Home approval.
 - (b) However, the family is required to promptly notify Opportunity Home of the addition [24 CFR 982.551(h)(2)].
 - (i) Written notification must be provided to Opportunity Home within 10 business days of the change.

(3) New Family and Household Members Requiring Approval

(a) With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request Opportunity Home approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

(i) The head of household must request Opportunity Home approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days or 60 cumulative days within a 12-month period and therefore no longer qualifies as a “guest.”

(ii) Requests must be made in writing and approved by Opportunity Home prior to the individual moving into the unit.

(iii) Opportunity Home will not approve the addition of a new family or household member unless the individual meets the Opportunity Home’s eligibility criteria (see Chapter 3) and documentation requirements (see 7.2).

(A) If Opportunity Home determines an individual meets Opportunity Home’s eligibility criteria and documentation requirements, Opportunity Home will provide written approval to the family.

(B) If Opportunity Home determines that an individual does not meet the Opportunity Home’s eligibility criteria or documentation requirements, Opportunity Home will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

(C) Opportunity Home will make its determination within 30 business days of receiving all information required to verify the individual’s eligibility.

(iv) Opportunity Home will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

(v) Opportunity Home will not approve the addition of a household member unless the head of household has obtained and provided to Opportunity Home the owner’s written notice of approval or denial to add the new household member to the lease agreement upon Opportunity Home’s approval of the addition.

- (A) If the owner denies the addition, but the individual is otherwise eligible to be added to the household, Opportunity Home’s approval letter will explain that the family will be issued a voucher and will be required to move.
 - (B) If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued a voucher and will be required to move.
 - (vi) The added adult member must sign the Statement of Family Obligations. Upon approval by Opportunity Home, which shall always have a prospective effective date, the new household member is immediately subject to all requirements, and receives all benefits, of the assisted housing program.
 - (vii) The addition of an adult family member may require a HAP proration or change in the HAP portion.
- (b) When any new family member is added, Opportunity Home must conduct a reexamination to determine any new income or deductions associated with the additional family member and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].
- (c) If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), Opportunity Home must issue the family a new voucher, and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, Opportunity Home must terminate the family’s HAP contract in accordance with its terms [24 CFR 982.403].
- (d) **Insufficient Funding**
- (i) Prior to adding any new family or household members, Opportunity Home will determine whether it has sufficient funding in accordance with the policies in Section 16.8.
 - (ii) Opportunity Home will deny a request for the addition of a new family member or other household member on grounds that Opportunity Home does not have sufficient funding for continued assistance, if the following circumstances apply:
 - (A) The addition is not the result of any of the following:
 - (1) Birth,
 - (2) Adoption,
 - (3) Court-awarded custody of a child, or

(4) Placement of a grandchild by Child Protective Services;

(B) Opportunity Home can demonstrate that the addition will result in a violation of HQS space standards (see 8.1.F) or a larger voucher size for the family (see 5.2.B); and

(C) Opportunity Home can demonstrate in accordance with the methodology in 16.8.B that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs caused by the addition.

(4) Joint Custody of Dependents

(a) Children who are subject to a joint custody agreement but live with one parent at least 51 percent of the time will be considered members of the household. "51 percent of the time" is defined as 186 days of the year, which do not have to run consecutively.

(b) When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, Opportunity Home will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

(c) The applicant or family that has custody of the child less than 51 percent of the time will not be granted an additional bedroom for the child.

(5) Departure of a Family or Household Member

(a) Families must promptly notify Opportunity Home if any family member no longer lives in the unit [24 CFR 982.551(h)(3)].

(i) If a household member ceases to reside in the unit, the family must inform Opportunity Home within 10 business days.

(ii) The family must notify Opportunity Home within 10 business days of the day the family concludes that a family member who has been considered temporarily absent has become permanently absent.

(b) Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], Opportunity Home also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

- (i) If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform Opportunity Home within 10 business days.

(6) Family Break-up [24 CFR 982.315]

- (a) Opportunity Home has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up.

- (i) When a family splits into two otherwise eligible families due to divorce or legal separation, only one of the new families may retain rental assistance.
- (ii) In the absence of a judicial decision, or an agreement among the original family members, Opportunity Home will determine which family will continue to receive assistance, taking into consideration the following factors:
 - (A) Which family member applied as head of household;
 - (B) The interest of any minor children, including custody arrangements;
 - (C) The interest of any ill, elderly, or disabled family members;
 - (D) Any possible risks to family members as a result of domestic violence or criminal activity;
 - (E) Recommendations from social service agencies or qualified professionals such as children's protective services; and
 - (F) Restrictions that were in place at the time the family applied.
- (iii) Documentation of these factors is the responsibility of the families. If either or both of the families do not provide the documentation, they may be denied continued assistance for failure to supply information requested by Opportunity Home.
- (iv) In cases where domestic violence played a role, Opportunity Home will require evidence that the family has been or is being displaced as a result of fleeing violence in the home.
 - (A) A family member must complete certification, or the information that may be provided in lieu of the certification, within 14 business days of receiving the written request for this certification by Opportunity Home, owner or manager.
 - (B) If the family member has not provided the requested certification or the information that may be provided in lieu of the certification by the 14th business day or any extension of the date provided by Opportunity Home,

manager and owner, none of the protections afforded to victims of domestic violence, dating violence or stalking (collectively “domestic violence”) under the Housing Choice Voucher (HCV) or Public Housing programs apply.

- (b) If a court determines the disposition of property between members of the assisted family in a divorce or separation decree, Opportunity Home is bound by the court's determination of which family members continue to receive assistance.

(7) **Remaining Member of a Tenant Family [24 CFR 5.403]**

- (a) The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit.
- (b) Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.
- (c) If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6.1.B, for the policy on “Caretakers for a Child.”

11.2.C Changes Affecting Income or Expenses

- (1) Interim reexaminations can be scheduled either because Opportunity Home has reason to believe that changes in income or expenses may have occurred, or because the family reports a change.
- (2) When a family reports a change, Opportunity Home may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.
- (3) **Opportunity Home-Initiated Interim Reexaminations**
 - (a) Opportunity Home-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by Opportunity Home. They are not scheduled because of changes reported by the family.
 - (b) Opportunity Home may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

(c) Opportunity Home will conduct interim reexaminations in each of the following instances:

- (i) For families receiving the Earned Income Disallowance (EID), Opportunity Home will conduct an interim reexamination at the

start and conclusion of the second 12-month exclusion period (50 percent phase-in period).

- (ii) If the family has reported zero income, Opportunity Home will conduct an interim reexamination at least every six months as long as the family continues to report that they have no income.
- (iii) Opportunity Home may conduct an interim reexamination at any time, for example, to correct an error in a previous reexamination or to investigate a tenant fraud complaint.

(4) **Family-Initiated Interim Reexaminations**

- (a) Opportunity Home must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)].
- (b) HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

(c) **Required Reporting**

HUD regulations give Opportunity Home the freedom to determine the circumstances under which families will be required to report changes affecting income.

- (i) Families are not required to report increases in earned and unearned income, including new employment. FSS Participants, EID Participants, Homeownership Participants, and Zero-Income Participants are required to report all increases in earned and unearned income within 10 business days of the date the change takes effect.

(d) **Optional Reporting**

- (i) The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].
- (ii) Opportunity Home must process the request if the family reports a change that will result in a reduced family income [HCV GB, p. 12-9].
- (iii) If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income, see Chapter 6.

- (iv) If a family reports an increased income change, Opportunity Home will note the information in the tenant file, but will not conduct an interim reexamination (this does not apply to FSS participants, Homeownership participants, and participants reporting zero income, for whom all changes must be completed).
- (v) Families may report changes in income or expenses at any time.
- (vi) If a family reports a decrease in child support payments, Opportunity Home will not decrease income until the family provides supporting documentation that payments have been decreased for three consecutive months.
 - (A) Once documentation of decreased child support is received, the decrease in income will be retroactively applied to the first of the month following the date in which the decrease was first reported.
- (vii) Opportunity Home will not decrease income from temporary job placements until the family provides evidence that payments have decreased for three consecutive months.
 - (A) Once documentation of decreased income from temporary job placements is received, the decrease in income will be retroactively applied to the first of the month following the date in which the decrease was first reported.
- (viii) If a family reports a change that it was not required to report and that would result in an increase in the family share of the rent, Opportunity Home will note the information in the tenant file, but will not conduct an interim reexamination.
- (ix) If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, Opportunity Home will conduct an interim reexamination. See Section 11.2.D. for effective dates.

11.2.D Processing the Interim Reexamination

(1) Method of Reporting

- (a) When required, the family must notify Opportunity Home of changes in writing, by mail, email, or fax.
- (b) Based on the type of change reported, Opportunity Home will determine the documentation the family will be required to submit. The family must submit any required information or documents within

10 business days of receiving a request from Opportunity Home. This time frame may be extended for good cause with Opportunity Home's approval. Opportunity Home will accept required documentation by mail, email, fax, or in person.

(2) **Effective Dates**

- (a) Opportunity Home must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)].
- (b) The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].
- (c) If the family share of the rent is to *increase*:
 - (i) The increase will be effective on the first of the month following a 30-day notice to the family from the date of processing.
 - (ii) If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames:
 - (A) The increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis.
 - (B) The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.
- (d) If the family share of the rent is to *decrease*:
 - (i) The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted.
 - (ii) In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

11.3 Recalculating Family Share and Subsidy Amount

11.3.A Overview

- (1) After gathering and verifying required information for an annual or interim reexamination, Opportunity Home must recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes [24 CFR 982.516(d)(2), HCV 12-6 and 12-10].
- (2) While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

11.3.B Changes in Payment Standards and Utility Allowances

- (1) In order to calculate the family share of the rent and HAP amount correctly, changes in payment standards, subsidy standards, or utility allowances may need to be updated and included in Opportunity Home's calculations.
- (2) Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.
- (3) **Payment Standards [24 CFR 982.505]**
 - (a) The family share of the rent and HAP calculations must use the correct payment standard for the family, taking into consideration the family unit size, the size of unit, and the area in which the unit is located [HCV GB, p. 12-5]. See Chapter 6 for information on how to select the appropriate payment standard.
 - (b) When Opportunity Home changes its payment standards or the family's situation changes, new payment standards are applied at the following times:
 - (i) If Opportunity Home's payment standard amount changes during the term of the HAP contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
 - (A) If the payment standard amount has *increased*, the increased payment standard will be applied at the *first annual reexamination* following the effective date of the increase in the payment standard.
 - (B) If the payment standard amount has *decreased*, during the term of the HAP contract, Opportunity Home is not required to reduce the payment standard as the HAP contract remains in effect. At the family's second annual reexamination, Opportunity Home may, but is not required to, apply the decreased payment standard. Opportunity Home must

provide the family with at least 12 months' notice before the effective date of the change that the payment standard is being reduced during the term of the HAP contract.

(C) See Chapter 6.3.C for Opportunity Home's policy regarding payment standards for MTW programs not subject to SAFMRs, and Non-MTW and MTW programs subject to SAFMRs

- (ii) If the family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

(4) Subsidy Standards [24 CFR 982.505(c)(4)]

- (a) If there is a change in the family unit size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in Opportunity Home's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family at the family's first annual reexamination following the change in family unit size.

(5) Utility Allowances [24 CFR 982.517(d)]

- (a) The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in Opportunity Home's utility allowance schedule [HCV GB, p. 12-5]. Chapter 16 discusses how utility allowance schedules are established.
- (b) When there are changes in the utility arrangement with the owner, Opportunity Home must use the utility allowances in effect at the time the new lease and HAP contract are executed.
- (c) At reexamination, Opportunity Home must use its current utility allowance schedule [HCV GB, p. 18-8].

- (d) Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is adopted.

11.3.C Notification of New Family Share And HAP Amount

- (1) Opportunity Home must notify the owner and family of any changes in the amount of the HAP payment [HUD-52641, HAP Contract]. The notice must include the following information [HCV GB, p. 12-6]:
 - (a) The amount and effective date of the new HAP payment;

- (b) The amount and effective date of the new family share of the rent; and
 - (c) The amount and effective date of the new tenant rent to owner.
- (2) The family must be given an opportunity for an informal hearing regarding Opportunity Home's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see Chapter 16).

11.3.D Discrepancies

- (1) During an annual or interim reexamination, Opportunity Home may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, Opportunity Home may discover errors made by Opportunity Home. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in Chapter 13.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 12

**TERMINATION OF ASSISTANCE
AND TENANCY**

Chapter 12: Termination of Assistance and Tenancy

HUD regulations specify the reasons for which Opportunity Home can terminate a family's assistance, and the ways in which such terminations must take place. They also dictate the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter presents the policies that govern voluntary and involuntary terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

PART 1: Grounds for Termination of Assistance

This part discusses various reasons that a family's assistance may be terminated, including voluntary termination by the family, termination because the family no longer qualifies to receive subsidy, and termination by Opportunity Home based on the family's behavior.

PART 2: Approach to Termination of Assistance

This part describes the policies that govern how an involuntary termination takes place. It specifies the alternatives that Opportunity Home may consider in lieu of termination, the criteria Opportunity Home must use when deciding what action to take, and the steps Opportunity Home must take when terminating a family's assistance.

PART 3: Termination of Tenancy by the Owner

This part presents the policies that govern the owner's right to terminate an assisted tenancy.

12.1 Grounds for Termination of Assistance

12.1.A Overview

- (1) HUD requires Opportunity Home to terminate assistance for certain offenses and when the family no longer requires assistance.
- (2) HUD permits Opportunity Home to terminate assistance for certain other actions family members take or fail to take. In addition, a family may decide to stop receiving HCV assistance at any time by notifying Opportunity Home.

Definitions

For purposes of this chapter, the following definitions apply:

- (a) *Covered person* is defined as any member of the tenant's household, a guest or another person under the tenant's control.
- (b) *Currently engaged in* is defined as any use of illegal drugs during the previous six months.
- (c) *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).
- (d) *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.
- (e) *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.
- (f) *Threatening* refers to verbal and written communication, and physical gestures that communicate intent to abuse or commit violence.
- (g) *Violent criminal activity* 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.
- (h) *Violent or abusive behavior* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or verbal, that is customarily used to intimidate. Abusive behavior may also include theft of Opportunity Home property or property of Opportunity Home personnel.

12.1.B Family No Longer Requires Assistance [24 CFR 982.455]

- (1) As a family's income increases, the amount of Opportunity Home subsidy decreases. If the amount of HCV assistance provided by Opportunity Home decreases to zero and remains at zero for 180 consecutive calendar days, the family's assistance terminates automatically.
- (2) If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify Opportunity Home of the changed circumstances and request an interim reexamination before the 180-day period elapses.

12.1.C Family Chooses to Terminate Assistance

- (1) The family may request that Opportunity Home terminate the family's assistance at any time.
- (2) The request to terminate assistance must:
 - (a) Be in writing and signed by the head of household, spouse, or cohead; and
 - (b) Include the date on which the individual requests their end of participation to take effect. If no date is specified, participation will terminate at the end of the month the request is submitted.
- (3) Before terminating the family's assistance, Opportunity Home will follow the notice requirements in section 12.2.F.

12.1.D Mandatory Termination of Assistance

- (1) HUD requires Opportunity Home to terminate assistance in the following circumstances:
 - (a) Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]
 - (b) Failure to Provide Consent [24 CFR 982.552(b)(3)]
 - (c) Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]
 - (d) Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]
 - (e) Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]
 - (f) Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

- (g) Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]
 - (h) Failure to enter into or make payments on an existing or new repayment agreement [24 CFR 982.552 and PIH 2010-19]
- (2) **Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]**
- (a) Opportunity Home must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease.
 - (b) As discussed further in section 12.2.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.
 - (c) A family will be considered *evicted* under the following circumstances:
 - (i) When Opportunity Home receives a court-ordered eviction judgment from the landlord and/or family, whether or not physical enforcement of the order was necessary; or
 - (ii) When Opportunity Home receives the final court judgment upholding an eviction, after an appeal by the family.
 - (d) The family will not be considered evicted if the family submits court documentation (e.g., an appeal bond) to show that the family has appealed a court-ordered eviction judgment.
 - (e) A family whose housing assistance was terminated by Opportunity Home due to an eviction may have their assistance reinstated if the court, through the appeals process, orders the eviction judgment to be released. A Release of Judgment obtained outside of the appeals process will not be considered sufficient court documentation.
 - (f) If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a court-ordered eviction judgment has been issued, termination of assistance is not mandatory.
 - (i) Opportunity Home will determine, based on the available evidence, whether the family has committed serious or repeated violations of the lease in accordance with section 5.1.C, and may terminate assistance or take any of the alternative measures described in section 12.2.C.
 - (ii) Upon consideration of all relevant circumstances, Opportunity Home may, on a case-by-case basis, choose not to terminate assistance, in accordance with section 12.2.D.

- (g) Generally, the criteria to be used is whether the reason for the eviction was through no fault of the tenant or guests.
- (h) The owner may not evict the family or otherwise terminate the family's tenancy for nonpayment of Opportunity Home's housing assistance payment, for example, during an abatement period.
- (i) Generally, Opportunity Home will not scrutinize a certified eviction judgment to determine its validity, except in cases where the eviction violates the terms of the HAP contract or program regulations. The family is expected to have received adequate due process with respect to the eviction during the judicial proceedings.

(3) Failure to Provide Consent [24 CFR 982.552(b)(3)]

Opportunity Home must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a reexamination.

See Chapter 7 for a complete discussion of consent requirements.

(4) Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

Opportunity Home must terminate assistance if:

- (a) A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
- (b) 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
- (c) A family member, as determined by Opportunity Home, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. 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.

(5) Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]

- (a) Opportunity Home 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.
- (b) If the family is otherwise eligible for continued program assistance, and Opportunity Home 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, Opportunity Home 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 Opportunity Home determined the family to be noncompliant.

- (i) Opportunity Home 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, if:
 - (A) The family's failure to meet the SSN disclosure and documentation requirements was due to circumstances beyond the participant's control such as:
 - (1) delayed processing of the SSN application by the SSA,
 - (2) natural disaster,
 - (3) fire,
 - (4) death in the family, or
 - (5) other emergency; and
 - (B) There is a reasonable likelihood that the family will be able to meet the SSN disclosure and documentation requirements by the deadline.

(6) Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

Opportunity Home 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.

(7) Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

- (a) 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, is not residing with their parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, Opportunity Home must then 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.
- (b) 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 Opportunity Home 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.

(8) **Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]**

Opportunity Home must immediately terminate program assistance for deceased single member households.

(9) **Failure to Enter Into or Make Payments on an Existing or New Repayment Agreement [24 CFR 982.552 and PIH 2010-19]**

- (a) If a tenant refuses to enter into a repayment agreement or fails to make payments on an existing or new repayment agreement, Opportunity Home **must** terminate the family's tenancy or assistance, or both.
- (b) HUD does **not** authorize any Opportunity Home-sponsored amnesty or debt forgiveness programs.

12.1.E Mandatory Policies and Other Authorized Terminations

(1) **Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]**

- (a) HUD requires Opportunity Home to establish policies that permit Opportunity Home to terminate assistance if Opportunity Home determines any of the following:
 - (i) 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
 - (ii) 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
 - (iii) Any household member has violated the family's obligation not to engage in any drug-related criminal activity
 - (iv) Any household member has violated the family's obligation not to engage in violent criminal activity

(b) ***Use of Illegal Drugs and Alcohol Abuse***

- (i) Opportunity Home will terminate a family's assistance for the following reasons:
 - (A) 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.

- (B) Any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.
- (ii) Opportunity Home will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.
- (iii) A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.
- (iv) In making its decision to terminate assistance, Opportunity Home will consider alternatives as described in section 12.2.C and other factors described in sections 12.2.D and 12.2.E. Upon consideration of such alternatives and factors, Opportunity Home may, on a case-by-case basis, choose not to terminate assistance.

(c) ***Drug-Related and Violent Criminal Activity [24 CFR 5.100]***

- (i) Opportunity Home will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program (see section 5.1.C.), as defined by Opportunity Home's Screening Criteria Grid in 3.3.E.
- (ii) Opportunity Home will consider all credible evidence, including but not limited to:
 - (A) Any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and
 - (B) Any eviction or notice to evict based on drug-related or violent criminal activity.
 - (C) A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.
- (iii) In making its decision to terminate assistance, Opportunity Home will consider alternatives as described in 12.2.C and other factors described in sections 12.2.D and 12.2.E. Upon consideration of such alternatives and factors, Opportunity Home may, on a case-by-case basis, choose not to terminate assistance.

(2) **Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c), 24 CFR 5.2005(c)]**

- (a) HUD permits Opportunity Home to terminate assistance under a number of other circumstances. It is left to the discretion of Opportunity Home whether such circumstances in general warrant consideration for the termination of assistance.
- (b) The Violence against Women Act of 2013 explicitly prohibits Opportunity Home 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 (see Section 12.2.E).
- (c) Additionally, per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, Opportunity Home is no longer permitted to terminate assistance to a family due to the family's failure to meet its obligations under the Family Self-Sufficiency (FSS) contract of participation (FR Notice 12/29/14).

- (i) Opportunity Home **will** terminate a family's assistance for the following reasons:
 - (A) The family has failed to comply with any family obligations under the program. (See section 5.1.C. of this Administrative Plan for a listing of family obligations and related Opportunity Home policies.)
 - (B) Opportunity Home is notified of any household member convicted for engaging in any criminal activities as defined in Opportunity Home's Screening Criteria Grid in 3.3.E.
 - (C) Any family member has been evicted from federally-assisted housing in the last three years.
 - (D) Any PHA has terminated assistance under the program for any member of the family in the last three years.
 - (E) Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
 - (F) The family currently owes rent or other amounts to any PHA in connection with any housing assistance program.
 - (G) The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
 - (H) The family has breached the terms of a repayment agreement entered into with Opportunity Home.

- (I) A family member has engaged in or threatened violent or abusive behavior toward Opportunity Home personnel.
 - (J) Any family member is currently registered as a sex offender under a state registration requirement, regardless of whether it is a lifetime registration requirement.
 - (K) A family receiving HCV rental assistance through the HUD Veterans Affairs Supportive Housing (HUD-VASH) program fails to participate, without good cause, in case management as verified by the appropriate Veterans Affairs Medical Center or community-based outreach clinic [Federal Register 77:57 (March 23, 2012), *Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-VA Supportive Housing Program*].
- (ii) In making its decision to terminate assistance, Opportunity Home will consider alternatives as described in section 12.2.C and other factors described in sections 12.2.D and 12.2.E. Upon consideration of such alternatives and factors, Opportunity Home may, on a case-by-case basis, choose not to terminate assistance.

(d) ***Family Absence from the Unit [24 CFR 982.312]***

- (i) The family may be absent from the unit for brief periods. Opportunity Home must establish a policy on how long the family may be absent from the assisted unit.
- (ii) 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.
- (iii) If the family is absent from the unit for more than 45 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with section 12.2.E.

(e) ***Insufficient Funding [24 CFR 982.454]***

Opportunity Home may terminate HAP contracts if it determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

- (i) Opportunity Home will determine whether there is sufficient funding to pay for currently assisted families according to the policies in 16.8.
- (ii) If Opportunity Home determines there is a shortage of funding, prior to terminating any HAP contracts, Opportunity Home will

consider the use of unspent HAP funds in its NRA account and will determine if any other actions can be taken to reduce program costs.

- (iii) If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, Opportunity Home will terminate HAP contracts as a last resort.
- (iv) Prior to terminating any HAP contracts, Opportunity Home will inform the local HUD field office and its financial analyst at the Financial Management Center (FMC).
- (v) Opportunity Home will terminate the minimum number needed in order to reduce HAP costs to a level within Opportunity Home's annual budget authority.
- (vi) If Opportunity Home must terminate HAP contracts due to insufficient funding, Opportunity Home will do so in accordance with the following criteria and instructions:
 - (A) Vouchers that have not been contracted yet
 - (B) Non elderly/non-disabled families with program longevity
 - (C) Non elderly/non-disabled single member families
 - (D) Non elderly/non-disabled families receiving the least amount of subsidy assistance
 - (E) Non elderly/non-disabled families receiving the highest amount of subsidy assistance

12.2 Approach to Termination of Assistance

12.2.A Overview

- (1) Opportunity Home is required by regulation to terminate a family's assistance if certain program rules are violated. For other types of offenses, the regulations give Opportunity Home the discretion to either terminate the family's assistance or to take another action.
- (2) This part discusses the various actions Opportunity Home may choose to take when it has discretion, and outlines the criteria Opportunity Home will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notice that must be provided before terminating assistance.

12.2.B Method of Termination [24 CFR 982.552(a)(3)]

- (1) The way in which Opportunity Home terminates assistance depends upon individual circumstances.
- (2) HUD permits Opportunity Home to terminate assistance by:
 - (a) Terminating housing assistance payments under a current HAP contract;
 - (b) Refusing to approve a request for tenancy or to enter into a new HAP contract; or
 - (c) Refusing to process a request for or to provide assistance under portability procedures.

12.2.C Alternatives to Termination of Assistance

(1) Change in Household Composition

As a condition of continued assistance, Opportunity Home 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)].

- (a) As a condition of continued assistance, the head of household must certify that the culpable family member:
 - (i) Has vacated the assisted unit and
 - (ii) Will not be permitted to visit or stay as a guest in the assisted unit.
- (b) The family must present evidence of the former family member's current address upon Opportunity Home request.

(2) **Repayment of Family Debts**

If a family owes amounts to Opportunity Home, as a condition of continued assistance, Opportunity Home will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from Opportunity Home of the amount owed.

See Chapter 16 for policies on repayment agreements.

12.2.D Criteria for Deciding to Terminate Assistance

(1) **Evidence**

(a) For criminal activity, HUD permits Opportunity Home 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)].

(b) Opportunity Home will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

(2) **Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]**

(a) Opportunity Home is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

(b) Opportunity Home will consider the following facts and circumstances when making its decision to terminate assistance:

(i) The seriousness of the case, especially with respect to how it would affect other residents' safety or property.

(ii) The effects that termination of assistance may have on other members of the family who were not involved in the action or failure.

(iii) 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 12.2.E) a victim of domestic violence, dating violence, sexual assault, or stalking.

(iv) The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's history of program violations and the likelihood of favorable conduct in the future.

- (v) While a record of arrest(s) will not be used as the basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, Opportunity Home may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. Opportunity Home may also consider the following:
 - (A) Any statements made by witnesses or the participant not included in the police report;
 - (B) Whether criminal charges were filed;
 - (C) Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; and
 - (D) Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity.
- (vi) Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property.
- (vii) 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.
- (viii) Opportunity Home 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.
- (ix) 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.

(3) Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

- (a) If the family includes a person with disabilities, Opportunity Home's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.
- (b) If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, Opportunity Home will determine whether the behavior is related to the disability. If so, upon the family's request, Opportunity Home will determine whether alternative measures are appropriate as a reasonable accommodation.

- (c) Opportunity Home 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 policies on reasonable accommodations.

12.2.E Terminations Related to Domestic Violence, Dating Violence, Sexual Assault, or Stalking

- (1) This section addresses 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 and Opportunity Home policies pertaining to notification, documentation, and confidentiality, see Section 16.9, where definitions of key VAWA terms are also located.

(2) 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.*)

- (a) First, VAWA provides that Opportunity Home 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 Opportunity Home, 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 they were imminently threatened by harm from further violence if they remained in the unit [24 CFR 982.354(b)(4)].
- (b) 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)].
- (c) 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 affiliated individual or other 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)].

- (d) Fourth, it gives Opportunity Home 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)].

(3) Limitations on VAWA Protections [24 CFR 5.2005(d) and (e)]

- (a) VAWA does not limit Opportunity Home’s authority to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault, or stalking so long as Opportunity Home does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(1)].
- (b) VAWA does not limit Opportunity Home’s authority to terminate the assistance of a victim of domestic violence, dating violence, sexual assault, or stalking if Opportunity Home 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)(2)]. HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that:
 - (i) is real,
 - (ii) would occur within an immediate time frame, and
 - (iii) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)].
- (c) In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:
 - (i) The duration of the risk;
 - (ii) The nature and severity of the potential harm;
 - (iii) The likelihood that the potential harm will occur; and
 - (iv) The length of time before the potential harm would occur [24 CFR 5.2005(e)]
- (d) In order to demonstrate an actual and imminent threat, Opportunity Home must have objective evidence of words, gestures, actions, or other indicators.
- (e) Even when a victim poses an actual and imminent threat, however, HUD regulations authorize Opportunity Home 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)(3)].

- (f) 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, Opportunity Home will consider the following:
 - (i) Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault, or stalking;
 - (ii) Whether the threat is a physical danger beyond a speculative threat;
 - (iii) Whether the threat is likely to happen within an immediate time frame;
 - (iv) 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;
 - (v) And any other relevant factors.
- (g) If the participant wishes to contest Opportunity Home's determination that they are an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing.

(4) Documentation of Abuse [24 CFR 5.2007]

- (a) When a participant family is facing assistance termination because of the actions of a participant, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that they are the victim of such actions and that the actions are related to domestic violence, dating violence, sexual assault, or stalking, Opportunity Home will request in writing that the individual submit documentation affirming that claim. The written request will include explicit instructions on where, when, and to whom the documentation must be submitted. It will also state the consequences for failure to submit the documentation by the deadline.
- (b) The documentation will consist of a completed and signed form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking. In lieu of the certification form, Opportunity Home will accept either of the following forms of documentation:
 - (i) A police or court record documenting the actual or threatened abuse

- (ii) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse.
 - (A) This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical or other knowledgeable professional.
 - (B) The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse.
 - (C) The victim must also sign the documentation.
- (c) Opportunity Home reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice.
- (d) The individual claiming victim status must submit the requested documentation within 14 business days after receipt of Opportunity Home's written request or must request an extension within that time frame. Opportunity Home may, at its discretion, extend the deadline for 10 business days.
- (e) If the individual provides the requested documentation within 14 business days, or any Opportunity Home-approved extension, Opportunity Home will reconsider its termination decision in light of the documentation.
- (f) If the individual does not provide the requested documentation within 14 business days, or any Opportunity Home-approved extension, Opportunity Home will proceed with termination of the family's assistance in accordance with applicable law, program regulations, and the policies in this plan.

(5) Terminating the Assistance of a Domestic Violence Perpetrator

- (a) Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators.
- (b) VAWA gives Opportunity Home 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)].
 - (i) This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member.

- (ii) This authority supersedes any local, state, or other federal law to the contrary. However, if Opportunity Home 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 Opportunity Home 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].
- (c) If the perpetrator remains in the unit, Opportunity Home continues to pay the owner until Opportunity Home terminates the perpetrator from the program. Opportunity Home must not stop paying HAP until 30 days after the owner bifurcates the lease to evict the perpetrator. Opportunity Home may pay HAP for the full month if the 30-day period will end mid-month [Notice PIH 2017-08].
- (d) If the perpetrator is the only participant eligible to receive assistance, Opportunity Home will provide any remaining participant a chance to establish eligibility for the program. If the remaining participant cannot do so, Opportunity Home will provide them with 30 days to establish eligibility for another housing program prior to termination of the HAP contract.
- (e) Opportunity Home will terminate assistance to a family member if Opportunity Home 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, non-culpable family members.
- (f) In making its decision, Opportunity Home will consider all credible evidence, including, but not limited to, a signed certification (Form HUD-5382) or other documentation of abuse submitted to Opportunity Home by the victim in accordance with this section.
- (g) Opportunity Home will also consider the factors in section 12.2.D. Upon such consideration, Opportunity Home may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.
- (h) If Opportunity Home 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.
- (i) If Opportunity Home can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, Opportunity Home will bypass the standard process and proceed with the immediate termination of the family's assistance.

(6) Opportunity Home Confidentiality Requirements

All information provided to Opportunity Home regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure

- (a) is requested or consented to by the individual in writing,
- (b) is required for use in an eviction proceeding, or
- (c) is otherwise required by applicable law.

12.2.F Termination Notice

- (1) If a family's assistance is to be terminated, whether voluntarily or involuntarily, Opportunity Home must give the family and the owner written notice that specifies:
 - (a) The reasons for which assistance has been terminated;
 - (b) The effective date of the termination; and
 - (c) The family's right to an informal hearing as described in Chapter 16.
- (2) Opportunity Home must include with its notice of intent to terminate, copies of the following two forms:
 - (a) Notification of Occupancy Rights under the Violence Against Women Act (HUD-5380); and
 - (b) Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation (HUD-5382).
- (3) If a criminal record is the basis of the termination, a copy of the record must accompany the notice. A copy of the criminal record also must be provided to the subject of the record [24 CFR 982.553(d)].
- (4) When Opportunity Home initiates a termination, Opportunity Home will send the family a notice of intent to terminate assistance at least 30 calendar days prior to the effective date of the termination, except when the termination is for:
 - (a) An eviction, or
 - (b) Vacating without notice.
- (5) When Opportunity Home initiates a termination because the family vacated or was evicted from the unit, the notice of intent to terminate will be sent immediately upon receiving notice of the program violation.

- (6) Opportunity Home will also send forms HUD-5380 and HUD-5382 to the family with the termination notice.
- (7) When a family requests to be terminated from the program they must do so in writing to Opportunity Home (see Section 12.1.C). Opportunity Home will send a confirmation notice to the family and the owner no later than the termination effective date (as requested by the family).
- (8) If the family does not request a hearing to appeal their termination within 10 business days, Opportunity Home will send the owner/landlord a final notification of termination.
- (9) Opportunity Home will only consider requests for reinstatement to the program made within one year of termination.

(10) Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]

- (a) Opportunity Home must terminate assistance if:
 - (i) A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or eligible immigration status;
 - (ii) Evidence of citizenship and eligible immigration status is submitted timely, but USCIS primary and secondary verification does not verify eligible immigration status of a family; or
 - (iii) Opportunity Home determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. Such termination must be for a period of at least 24 months.
- (b) The notice of termination must advise the family of
 - (i) The reasons their assistance is being terminated;
 - (ii) That they may be eligible for proration of assistance;
 - (iii) The criteria and procedures for obtaining relief under the provisions for preservation of families;
 - (iv) That they have the right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal; and
 - (v) That they have the right to request an informal hearing with Opportunity Home either upon completion of the USCIS appeal or in lieu of the USCIS appeal.

- (c) The notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination.

12.2.G How Termination of Assistance Affects the HAP Contract and Lease

(1) Termination Without an Informal Hearing

The termination notice will notify the family and owner of the HAP contract termination date.

(2) Termination With an Informal Hearing

- (a) If the family requests an informal hearing within the required timeframe (see section 16.3.C), and Opportunity Home's decision to terminate is upheld in the hearing, the HAP contract terminates on the last day of the month in which the hearing was conducted.
- (b) The effective termination date is provided on the hearing decision notice that is mailed to the family and owner within 10 business days of the date of the informal hearing (see section 16.3.D).

(3) When the family's assistance is terminated, the lease and HAP contract terminate automatically [Form HUD-52641].

(4) After the HAP contract terminates, the owner and family may enter into a separate unassisted lease [HCV GB, p. 15-8].

12.3 Termination of Tenancy by the Owner

12.3.A Overview

- (1) Termination of an assisted tenancy is a matter between the owner and the family; Opportunity Home is not directly involved.
- (2) The owner is under some constraints when terminating an assisted tenancy
- (3) The reasons for which a tenancy is terminated dictate whether assistance also will be terminated.

12.3.B Grounds for Owner Termination of Tenancy [24 CFR 982.310, 24 CFR 5.2005(c), and Form HUD-52641-A, Tenancy Addendum]

- (1) During the term of the lease, the owner is not permitted to terminate the tenancy except for:
 - (a) Serious or repeated violations of the lease;
 - (b) Certain violations of state or local law; or
 - (c) Other good cause.
- (2) **Serious or Repeated Lease Violations**
 - (a) 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 12.2.E).
 - (b) A serious lease violation includes failure to pay rent or other amounts due under the lease.
 - (c) Opportunity Home's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.
- (3) **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.
- (4) **Criminal Activity or Alcohol Abuse**
 - (a) 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):

- (i) 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)
 - (ii) 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
 - (iii) Any violent criminal activity on or near the premises
 - (iv) Any drug-related criminal activity on or near the premises
- (b) However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, if the tenant or affiliated individual of the tenant's family is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see Section 12.2.E).
- (c) The owner may terminate tenancy during the term of the lease if any member of the household is:
- (i) 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
 - (ii) Violating a condition of probation or parole imposed under federal or state law.
- (d) The owner may terminate tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.
- (e) 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.
- (f) ***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, except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking and the tenant or an immediate member of the tenant's family is the victim or

threatened victim of the domestic violence, dating violence, or stalking (see Section 12.2.E).

(5) Other Good Cause

- (a) 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.
- (b) After the initial lease term, “other good cause” for termination of tenancy by the owner includes:
 - (i) Failure by the family to accept the offer of a new lease or revision
 - (ii) The owner’s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
 - (iii) 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)
- (c) After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

12.3.C Eviction [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

- (1) The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease.
 - (a) The tenancy does not terminate before the owner has given this notice.
 - (b) The notice must be given at or before commencement of the eviction action.
- (2) 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.
- (3) The owner may only evict the tenant from the unit by instituting a court action.
- (4) The owner must give Opportunity Home a copy of any eviction notice at the same time the owner notifies the family.
 - (a) The owner must inform Opportunity Home when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

- (b) The owner must inform Opportunity Home when the owner has obtained a court-ordered eviction judgment against the tenant, and provide Opportunity Home with
 - (i) A copy of the final court judgment; and
 - (ii) If the eviction is for unpaid rent, the tenant ledger or other documentation supporting the allegation of unpaid rent for which the eviction was ordered.
- (c) If the owner fails to submit the required documentation to Opportunity Home within 10 business days of the date of the judgment, Opportunity Home will collect any Housing Assistance Payments made after the effective termination date.

- (5) The family is also required to give Opportunity Home a copy of any eviction notice (see section 5.1.C).

12.3.D Deciding Whether to Terminate Tenancy [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

- (1) 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:
 - (a) The nature of the offending action
 - (b) The seriousness of the offending action;
 - (c) The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
 - (d) The extent of participation by the leaseholder in the offending action;
 - (e) The effect of termination of tenancy on household members not involved in the offending activity;
 - (f) The demand for assisted housing by families who will adhere to lease responsibilities;
 - (g) The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
 - (h) The effect of the owner's action on the integrity of the program.
- (2) 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.
- (3) 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.

- (4) The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.
- (5) 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 2005 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L (see section 12.2.E)

12.3.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 Opportunity Home has no other grounds for termination of assistance, Opportunity Home may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

Exhibit 12-1: Reasons For Termination

Following is a listing of the reasons for which Opportunity Home will terminate housing assistance for a family participating in the HCV program:

MANDATORY REASONS FOR TERMINATION OF ASSISTANCE

1. Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]
2. Failure to Provide Consent [24 CFR 982.552(b)(3)]
3. Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]
4. Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]
5. Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]
6. Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]
7. Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]
8. Failure to enter into or make payments on an existing or new repayment agreement [24 CFR 982.552 and PIH 2010-19]

OTHER AUTHORIZED REASONS FOR TERMINATION OF ASSISTANCE [24 CFR 982.552(c), 24 CFR 5.2005(c)]

1. The family fails to comply with any family obligations under the program:
 - Supply information necessary for Opportunity Home to administer the program
 - Supply Information to Opportunity Home for use in reexaminations
 - Supply Social Security Numbers and consent to obtain information
 - Supply true and complete information
 - Correct family-caused HQS deficiencies in the assisted unit
 - Allow Opportunity Home to inspect the assisted unit
 - Comply with the lease requirements
 - Do not damage the assisted unit
 - Notify Opportunity Home of family move-out or lease termination
 - Notify Opportunity Home of an eviction
 - Use the assisted unit for the family's residence and only residence
 - Obtain Opportunity Home approval for the family and household composition
 - Notify Opportunity Home if a family member no longer lives in the assisted unit
 - Notify Opportunity Home when the family is away from the assisted unit
 - Supply any requested information to Opportunity Home for verification of family occupancy
 - Obtain Opportunity Home approval for residency of a foster child or live-in aide
 - Conduct legal profit making only as a subordinate use of the assisted unit

CHAPTER 12: TERMINATION OF ASSISTANCE AND TENANCY

- Do not sublease or let the unit
 - Do not assign the lease or transfer the unit
 - Do not receive assistance for a unit owned by the family or in which the family has an interest
 - Do not receive assistance for a unit owned by an unassisted family member
 - Do not commit fraud, bribery, or corrupt acts in connection with the program
 - Do not engage in criminal activity related to drugs or violence, or that is threatening to your neighbors
 - Do not engage in alcohol abuse in a way that threatens your neighbors
 - Do not receive any other Federal, State or local housing subsidy
2. Any family member has been evicted from federally-assisted housing in the last five years.
 3. Any PHA has terminated assistance under the program for any member of the family in the last five years.
 4. Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
 5. The family currently owes rent or other amounts to any PHA in connection with any housing assistance program.
 6. The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
 7. The family has breached the terms of a repayment agreement entered into with Opportunity Home.
 8. A family member has engaged in or threatened violent or abusive behavior toward Opportunity Home personnel.
 9. Any family member is currently registered as a sex offender under a state registration requirement, regardless of whether it is a lifetime registration requirement.
 10. A family receiving HCV rental assistance through the HUD Veterans Affairs Supportive Housing (HUD-VASH) program fails to participate, without good cause, in case management as verified by the appropriate Veterans Affairs Medical Center or community-based outreach clinic [Federal Register 77:57 (March 23, 2012), Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-VA Supportive Housing Program].

Please refer to Chapters 5 and 12 for a detailed explanation of each family obligation and reason for termination, respectively.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 13

OWNERS

Chapter 13: Owners

Owners play a central role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term “owner” refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term “owner” includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations. However, this chapter is not meant to be an overview of all aspects of owner participation in the HCV program.

The chapter is organized in two parts:

PART 1: Owners in the HCV Program

This part discusses the role of an owner in Opportunity Home’s HCV program and highlights key owner rights and responsibilities.

PART 2: HAP Contracts

This part explains provisions of the HAP contract and the relationship between Opportunity Home and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including Opportunity Home policies in key areas, owners will need to refer to several other chapters in this plan. Where appropriate, Chapter 13 will reference the other chapters.

13.1 Owners in the HCV Program

13.1.A Owner Recruitment and Retention [HCV GB, pp. 2-4 to 2-6]

(1) Recruitment

- (a) Opportunity Home is responsible for ensuring that very low income families have access to all types and ranges of affordable housing in Opportunity Home's jurisdiction, particularly housing outside areas of poverty or minority concentration.
 - (i) A critical element in fulfilling this responsibility is for Opportunity Home to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in Opportunity Home's jurisdiction, are willing to participate in the HCV program.
 - (ii) To accomplish this objective, Opportunity Home must identify and recruit new owners to participate in the program.
- (b) Opportunity Home will conduct owner outreach to ensure that owners are familiar with the program and its advantages.
- (c) Opportunity Home will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies may include:
 - (i) Distributing printed material about the program to property owners and managers;
 - (ii) Holding owner recruitment/information meetings at least once a year;
 - (iii) Participating in community based organizations comprised of private property and apartment owners and managers; and/or
 - (iv) Developing working relationships with owners and real estate brokers associations.

(2) Retention

In addition to recruiting owners to participate in the HCV program, Opportunity Home must also provide the kind of customer service that will encourage participating owners to remain active in the program.

- (a) All Opportunity Home activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.
- (b) Opportunity Home will provide owners with a handbook that explains the program, including HUD and PHA policies and procedures, in easy-to-understand language.

- (c) Opportunity Home will give special attention to helping new owners succeed through activities such as:
 - (i) Providing the owner with a designated Opportunity Home contact person;
 - (ii) Coordinating inspection and leasing activities between Opportunity Home, the owner, and the family;
 - (iii) Communicating with the owner to explain the inspection process, and providing an inspection booklet and other resource materials about HUD housing quality standards; and
 - (iv) Providing other written information about how the program operates, including answers to frequently asked questions.
- (d) Additional services may be undertaken on an as-needed basis, and as resources permit.

13.1.B Basic HCV Program Requirements

- (1) HUD requires Opportunity Home to aid families in their housing search by providing the family with a list of landlords or other parties known to Opportunity Home who may be willing to lease a unit to the family, or to help the family find a unit. Although Opportunity Home cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to Opportunity Home their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit [24 CFR 982.301(b)(11)].
 - (a) Owners that wish to indicate their willingness to lease a unit to an eligible HCV family will be referred to www.affordablehousing.com. Opportunity Home will provide this listing to the HCV family.
 - (b) Opportunity Home may recommend other venues such as newspapers, etc.
- (2) When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential tenant. Opportunity Home has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy.

See chapters 3 and 9 for more detail on tenant family screening policies and process.
- (3) If the owner is willing, the family and the owner must jointly complete a Request for Tenancy Approval (RTA, Form HUD 52517), which constitutes the family's request for assistance in the specified unit, and which documents the

owner's willingness to lease to the family and to follow the program's requirements.

- (a) When submitted to Opportunity Home, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit.
- (b) Also submitted with the RTA is a copy of the owner's proposed dwelling lease, including the HUD-required Tenancy Addendum (Form HUD-52641-A).

See Chapter 9 for more detail on request for tenancy approval policies and process.

- (4) HUD regulations stipulate that an assisted tenancy can be approved only under certain conditions.
 - (a) The owner must be qualified to participate in the program [24 CFR 982.306]. Some owners are precluded from participating in the program, or from renting to a particular family, either because of their past history with this or another federal housing program, or because of certain conflicts of interest.

Owner qualifications are discussed later in this chapter.

- (b) The selected unit must be of a type that is eligible for the program [24 CFR 982.305(a)]. Certain types of dwelling units cannot be assisted under the HCV program. Other types may be assisted under certain conditions. In addition, the owner must document legal ownership of the specified unit.

See chapter 9 for more detail on unit eligibility policies and process.

- (c) The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD [24 CFR 982.305(a)]. Opportunity Home will inspect the owner's dwelling unit at various stages of HCV program participation, to ensure that the unit continues to meet HQS requirements.

See chapter 8 for a discussion of the HQS standards, as well as the process for HQS inspections at initial lease-up and throughout the family's tenancy.

- (d) Opportunity Home must determine that the cost of the unit is reasonable [24 CFR 982.305(a)]. 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 discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

- (e) At initial lease-up of a unit, Opportunity Home must determine that the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)].

See chapter 6 for a discussion of the calculation of family income, family share of rent and HAP.

- (f) The dwelling lease must comply with all program requirements [24 CFR 982.308]. Owners are encouraged to use their standard leases when renting to an assisted family. However, the HCV program requires that the Tenancy Addendum, which helps standardize the tenancy requirements for all assisted families, be added word-for-word to that lease.

See chapter 9 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

- (g) Opportunity Home and the owner enter into a formal contractual relationship by executing the Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD.

See chapter 9 for a discussion of the HAP contract execution process. Specific HAP contract provisions and responsibilities are discussed in 13.2.

13.1.C Owner Responsibilities [24 CFR 982.452]

The owner responsibilities in the HCV program are outlined in the regulations, HAP Contract (Form HUD-52641), and Tenancy Addendum (Form HUD 52641-A), as follows:

- (1) **Housing Assistance Payment (HAP) Contracts, Lease, and Tenancy Addendum**

- (a) **Comply With All Owner Obligations Under the HAP Contract and Lease**

The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.

HUD Regulations:	24 CFR 982.452(a)
Cross References:	Administrative Plan § 9.1.E

- (b) **Prepare and Furnish to Opportunity Home the Information Required Under the HAP Contract**

- (i) The owner is responsible for preparing and furnishing to Opportunity Home information required under the HAP contract.

- (ii) Opportunity Home will not execute the HAP Contract until the owner has submitted an:
 - (A) IRS Form W-9
 - (B) Verification of Tax ID, and
 - (C) Direct Deposit form.

HUD Regulations: 24 CFR 982.452(b)(4)
Cross References: Administrative Plan § 9.1.G

(c) ***Provide Any Notice to the Family in Connection with the HAP Contract in Writing***

Any notice by the owner to Opportunity Home or the family must be in writing.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(B)(16)

(d) ***Do Not Assign the HAP Contract to a New Owner Without the Prior Written Consent of Opportunity Home***

- (i) The owner may not assign the HAP contract to a new owner without the prior written consent of Opportunity Home.

- (ii) In order to change the HAP payee under an outstanding HAP contract, Opportunity Home must receive a completed Change of Ownership packet, which is located on the Opportunity Home website.
- (iii) Within 10 business days of receiving the owner's request, Opportunity Home will inform the current owner in writing whether the assignment may take place.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(B)(14)(a)
Cross References: Administrative Plan § 13.2.F

(e) ***Provide All Housing Services as Agreed to in the Lease***

The owner must provide all housing services as agreed to in the lease. *Rent to owner* includes all services.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(C)(7)(d)
Cross References: Administrative Plan § 9.1.E

(f) ***Provide the Lease to Opportunity Home, Including Any Revisions Agreed to by the Owner and Tenant***

- (i) The owner must give Opportunity Home a copy of the lease, including any revisions agreed by the owner and the tenant.
- (ii) By signing the HAP contract, the owner certifies that

- (A) The terms of the lease are in accordance with all provisions of the HAP contract and
- (B) The lease includes the tenancy addendum.

(iii) If the dwelling lease is incomplete or incorrect, Opportunity Home will notify the family and the owner of the deficiencies.

- (A) Missing and corrected lease information will be accepted as hard copies, in-person, or by mail or email.
- (B) Opportunity Home will not accept missing and corrected information over the phone.

HUD Regulations: 24 CFR §§ 982.452(a) and 982.309; HAP Contract, HUD-52641(B)(2)(d) and (B)(8)(b); Tenancy Addendum, HUD-52641-A(2)(a)

Cross References: Administrative Plan §§ 9.1.E and 9.2.G

(g) **Enforce the Tenant Obligations Under the Lease**

The owner is responsible for enforcing the tenant obligations under the lease.

HUD Regulations: 24 CFR §§ 982.452(b)(6) and 982.551(e); HAP Contract, HUD-52641, Part C; Tenancy Addendum, HUD-52641-A

(h) **Notify Opportunity Home of Any Changes in the Amount of the Rent to Owner at Least Sixty Days Before Any Such Changes Go Into Effect**

- (i) During the initial term of the lease, the owner may not change the rent to owner. Where the owner is changing the amount of rent after the initial lease term, the owner must notify Opportunity Home of any changes in the amount of the rent to owner at least 60 days before any such changes go into effect.

(A) Opportunity Home will determine whether the requested change is reasonable within 30-45 calendar days of receiving the request from the owner.

(B) Upon making a determination, Opportunity Home will notify the owner in writing within 10 business days.

HUD Regulations: 24 CFR §§ 982.452(a) and 982.309; HAP Contract, HUD-52641(C)(15)(d)

Cross References: Administrative Plan §§ 8.3.B, 9.1.H, and 13.2.F

(i) ***Provide a Copy of Any Changes in the Lease to Opportunity Home in Writing***

- (i) If the tenant and the owner agree to any other changes in the lease, such changes must be in writing, and the owner must immediately give Opportunity Home a copy of such changes.
- (ii) The lease, including any changes, must be in accordance with the requirements of the tenancy addendum.

HUD Regulations:	24 CFR §§ 982.452(a); HAP Contract, HUD-52641(C)(15)(a)
Cross References:	Administrative Plan §§ 9.1.H and 13.2.F

(j) ***Comply with the Tenancy Addendum at All Times***

When there is a conflict between the provisions of the Tenancy Addendum (HUD-52641-A), and any other provisions of the lease or any other agreement between the owner and the tenant, the language of the Tenancy Addendum shall control.

HUD Regulations:	24 CFR § 982.452(a); HAP Contract, HUD-52641(C)(2)(b)
Cross References:	Administrative Plan § 13.2.B

(k) ***Do Not Make Any Changes to the Tenancy Addendum***

The owner may not make any change in the Tenancy Addendum (HUD-52641-A).

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(C)(15)(a)
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(2) **Tenant Screening**

(a) ***Screen the Family’s Behavior or Suitability for Tenancy***

- (i) The owner is responsible for performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- (ii) Opportunity Home has no liability or responsibility to the owner or other persons for the family’s behavior or suitability for tenancy.

(iii) Opportunity Home will not conduct additional screening to determine an applicant family’s suitability for tenancy.

HUD Regulations:	24 CFR §§ 982.307(a)(1), 982.452(b)(1); HAP Contract, HUD-52641 (B)(2)(e)
Cross References:	Administrative Plan §§ 3.3.D and 9.1.A

(b) ***Do Not Lease a Unit to a Family That Owns or Has an Interest In the Unit***

During the term of this contract, the owner certifies that the family does not own or have any interest in the unit.

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(B)(8)(e) and (B)(13)(d)
Cross References:	Administrative Plan §§ 13.1.D, 14.2.B, and 14.2I.C.

(c) ***Ensure That the Family Resides in the Contract Unit and That the Unit Is the Family’s Only Residence***

During the term of the HAP Contract, the owner certifies that, to the best of their knowledge, the members of the family reside in the contract unit, and the unit is the family’s only residence.

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(B)(8)(f); Tenancy Addendum, HUD-52641-A(3)(c)
Cross References:	Administrative Plan § 5.1.C

(d) ***Do Not Include in the Lease Any Family Member of the Owner***

The owner must not be the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless Opportunity Home 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.

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(B)(8)(g) and (B)(13)(d)
Cross References:	Administrative Plan §§ 9.1.B. and 13,1.D.

(e) ***Ensure That No Person or Entity Has or Will Have a Prohibited Interest***

- (i) The owner is responsible for ensuring that no person or entity has or will have a prohibited interest, at execution of the HAP Contract, or at any time during the HAP Contract term.
- (ii) A *prohibited interest* includes a person or entity of any of the following classes having any direct or indirect interest in the HAP Contract or in any benefits or payments under the contract (including the interest of an immediate family member of such covered individual) while such person is a covered individual or during one year thereafter:
 - (A) Any present or former member or officer of Opportunity Home (except an Opportunity Home commissioner who is a participant in the program);
 - (B) Any employee of Opportunity Home, or any contractor, subcontractor or agent of Opportunity Home, who formulates policy or who influences decisions with respect to the program;
 - (C) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the program; or

(D) Any member of the Congress of the United States.

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(B)(13)(d)
Cross References:	Administrative Plan § 13.1.D

(f) ***Immediately Disclose Prohibited Interests to Opportunity Home and HUD, When They Occur***

If a prohibited interest occurs, the owner shall promptly and fully disclose such interest to Opportunity Home and HUD.

HUD Regulations:	24 CFR 982.452(a); HAP Contract, HUD-52641(B)(13)(e)
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(3) **Maintenance and Housing Quality Standards (HQS)**

(a) ***Maintain the Contract Unit and Premises in Accordance With HQS Requirements***

- (i) The owner is responsible for maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- (ii) The family is responsible for correcting only the following HQS deficiencies:
 - (A) Tenant-paid utilities not in service;
 - (B) Failure to provide or maintain family-supplied appliances; and
 - (C) Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

(1) *Normal wear and tear* is defined as physical deterioration which occurs in the normal course of tenancy, without negligence, carelessness, accident or abuse of the unit or premises by the members of the household or their guests.

(iii) If Opportunity Home cannot determine the cause of an HQS deficiency, the owner will be responsible for correcting the item.

HUD Regulations:	24 CFR 982.452(b)(2); HAP Contract, HUD-52641 (B)(3)(a); Tenancy Addendum, HUD-52641-A(7)(a)(1)
Cross References:	Administrative Plan §§ 8.1.D, 13.1.D, and 13.2.D

(b) ***Correct HQS Deficiencies Within the Period Specified by Opportunity Home***

- (i) Opportunity Home must not make any housing assistance payments if the contract unit does not meet HQS requirements, unless the owner corrects the defect within the period specified by Opportunity Home and Opportunity Home verifies the correction.

(ii) When Opportunity Home identifies HQS deficiencies that are not life threatening, or classified as a three-business-day inspection, Opportunity Home will not send the owner a written notification of the inspection results.

(iii) Generally, not more than 30 days will be allowed for the correction.

HUD Regulations: 24 CFR 982.452(b)(2); HAP Contract, HUD-52641 (B)(3)(d)
Cross References: Administrative Plan § 8.2.F

(c) **Correct Life-threatening HQS Deficiencies Within 24 hours**

(i) When life-threatening conditions are identified, Opportunity Home will immediately notify both parties in person or by telephone, email or fax.

(ii) If a defect is life threatening, the owner must correct the defect within no more than 24 hours.

(iii) The corrective actions must be taken by the next business day of Opportunity Home's notice. Opportunity Home will inspect the life-threatening condition on the next business day.

(iv) The owner/agent is responsible for all emergency repairs except for tenant-supplied utilities not in service.

HUD Regulations: 24 CFR 982.452(b)(2); HAP Contract, HUD-52641 (B)(3)(d)
Cross References: Administrative Plan § 8.2.F

(d) **Conduct Maintenance and Replacement in Accordance With the Standard Practice**

All maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

HUD Regulations: 24 CFR 982.452(b)(2); HAP Contract, HUD-52641(C)(7)(a)(2)

(e) **Provide All Utilities Not Paid by the Family Under the Lease, to Comply with HQS Requirements**

The owner is responsible for paying for utilities and services (unless paid by the family under the lease).

HUD Regulations: 24 CFR 982.452(b)(7); HAP Contract, HUD-52641(C)(7)(b)(1)
Cross References: Administrative Plan §§ 8.2.B and 9.1.E

(4) **Contract Rent and Fees**

(a) **Collect from the Family Any Security Deposit**

(i) The owner is responsible for collecting from the family any security deposit.

(ii) Opportunity Home prohibits the owner from collecting security deposits in excess of amounts charged by the owner to unassisted tenants.

HUD Regulations: 24 CFR 982.452(b)(5)(i) and 982.510
 Cross References: Administrative Plan §§ 9.1.E and 13.2.D

(b) **Collect From the Family the Tenant Portion of Rent to Owner**

The owner is responsible for collecting from the family the tenant contribution (the part of rent to owner not covered by the housing assistance payment).

HUD Regulations: 24 CFR 982.452(b)(5)(ii) and 982.510
 Cross References: Administrative Plan §§ 9.1.E and 13.2.D

(c) **Collect From the Family Any Charges for Unit Damage by the Family**

The owner is responsible for collecting from the family any charges for unit damage by the family.

HUD Regulations: 24 CFR 982.452(b)(5)(iii) and 982.510
 Cross References: Administrative Plan §§ 9.1.E. and 13.2.D

(d) **Do Not Charge a Contract Rent That Exceeds Rents Charged for Rental of Comparable Unassisted Units in the Premises**

(i) During the HAP contract term, the rent to owner may not exceed rent charged by the owner for comparable unassisted units in the premises.

(ii) The owner must give Opportunity Home any information requested by Opportunity Home on rents charged by the owner for other units in the premises or elsewhere.

HUD Regulations: 24 CFR §§ 982.452(a), 982.507, 982.510; HAP Contract, HUD-52641(B)(6) and (B)(8)(c); Tenancy Addendum, HUD-52641-A(4)(c)
 Cross References: Administrative Plan §§ 8.3 and 9.1.D

(e) **Do Not Charge a Contract Rent That Exceeds the Reasonable Rent for the Unit as Most Recently Determined by Opportunity Home**

During the HAP contract term, the rent to owner may at no time exceed the reasonable rent for the contract unit as most recently determined or redetermined by Opportunity Home in accordance with HUD requirements.

HUD Regulations:	24 CFR §§ 982.452(a), 982.507, 982.510; HAP Contract, HUD-52641(B)(6) and (B)(8)(c); Tenancy Addendum, HUD-52641-A(4)(c)
Cross References:	Administrative Plan §§ 8.3 and 9.1.D

(f) ***Do Not Charge or Accept Any Payment for Rent In Addition to the Rent to Owner***

- (i) The owner may not charge or accept, from the family or from any other source, any payment for rent of the unit in addition to the rent to owner. *Rent to owner* includes the following to be provided and paid by the owner in accordance with the lease:
 - (A) All housing services,
 - (B) Maintenance,
 - (C) Utilities and
 - (D) Appliances.
- (ii) The cost of meals or supportive services may not be included in rent to owner, and the value of meals or supportive services may not be included in the calculation of reasonable rent.
- (iii) The lease may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.
- (iv) 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.

- (v) Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the lease for those families, are prohibited.
- (vi) The family is not liable and cannot be held responsible under the terms of the assisted 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 lease.

HUD Regulations:	24 CFR § 982.452(a) and 982.507;; HAP Contract, HUD-52641(C)(4)(c)(1)
Cross References:	Administrative Plan § 14.2.C

(g) ***Immediately Return Any Excess Rent Payment to the Tenant***

- (i) The owner must immediately return any excess rent payment to the tenant.

- (ii) The landlord must return any tenant rent payment in excess of the tenant's balance due, in cash or as a credit to the tenant, immediately upon determining that the payment exceeded the balance due.
- (iii) The landlord must return any excess Housing Assistance Payments made by Opportunity Home in accordance with 16.4.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(C)(5)(f)
Cross References: Administrative Plan § 14.2.C

(5) Termination of Tenancy

(a) *Terminate the Family's Tenancy in Accordance with the Lease and HUD Requirements Only*

The owner may only terminate the tenancy in accordance with the lease and HUD requirements.

HUD Regulations: 24 CFR 982.452(a) and (b)(1); HAP Contract, HUD-52641(C)(8)(a)
Cross References: Administrative Plan § 12.3

(b) *Evict the Family by Court Action Only*

- (i) The owner may only evict the tenant by a court action.
- (ii) At or before the beginning of a court action to evict the tenant, the owner must give the tenant a notice that specifies the grounds for termination of tenancy. The notice may be included in or combined with any owner eviction notice.
- (iii) The owner must give Opportunity Home a copy of any owner eviction notice at the same time the owner notifies the tenant.
 - (A) *Eviction notice* means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under State or local.

(B) *At the same time* means within three business days.

HUD Regulations: 24 CFR 982.452(a) and (b)(6); HAP Contract, HUD-52641(C)(8)(f)
Cross References: Administrative Plan § 12.3.C

(c) *Promptly Refund the Unused Security Deposit to the Tenant*

Give the tenant a list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must promptly refund the full amount of the unused balance to the tenant.

- (i) Opportunity Home requires the landlord to refund any unused amount from the security deposit within 30 calendar days after the tenant has vacated the unit, in accordance with Texas State law.

HUD Regulations: 24 CFR 982.452(b)(5)(i); HAP Contract, HUD-52641(C)(12)(c)
Cross References: Administrative Plan §§ 9.1.E and 14.2.C

(6) Fraud and Criminal Activity

(a) Do Not Commit Fraud, Bribery or Corrupt Acts in Connection With the Program

- (i) Fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program by the owner is a breach of the HAP contract.
- (ii) In all cases of overpayment of subsidy caused by the owner, the owner must repay Opportunity Home any excess subsidy received.

(iii) *Fraud* is defined as a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

(iv) Owner program abuse includes, but is not limited to, the following:

- (A) Charging the family rent above or below the amount specified by Opportunity Home;
- (B) Charging a security deposit other than that specified in the family's lease;
- (C) Charging the family for services that are provided to unassisted tenants at no extra charge;
- (D) Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit;
- (E) Knowingly accepting incorrect or excess housing assistance payments;
- (F) Offering bribes or illegal gratuities to Opportunity Home's Board of Commissioners, employees, contractors, or other Opportunity Home representatives;
- (G) Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to Opportunity Home;
- (H) Residing in the unit with an assisted family;
- (I) Subleasing of space in the assisted unit; and

(J) Not allowing the participant full and unprohibited access and use of areas assisted under the HAP Contract.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(B)(10)(a)(3)
 Cross References: Administrative Plan §§ 13.1.D., 13.2.D, 14.1.A, and 14.2.C

(b) ***Do Not Engage in Any Drug-related or Violent Criminal Activity***

Drug-related criminal activity or any violent criminal activity by the owner is a breach of the HAP contract.

HUD Regulations: 24 CFR 982.452(a); HAP Contract, HUD-52641(B)(10)(a)(5)
 Cross References: Administrative Plan §§ 13.1.D and 13.2.D

(7) **Violence Against Women Act & Equal Opportunity Compliance**

(a) ***Comply With the Violence Against Women Reauthorization Act of 2013 (VAWA) When Screening for and Terminating Tenancy***

- (i) The fact that an applicant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of tenancy if the applicant otherwise qualifies for tenancy.
- (ii) The owner's termination of tenancy actions must be consistent with the provisions for protection of victims of domestic violence, dating violence, or stalking.

HUD Regulations: 24 CFR Part 5, Subpart L; 24 CFR §§ 982.310(h)(4) and 982.452(b)(1)
 Cross References: Administrative Plan §§ 3.3.G and 12.2.E

(b) ***Do Not Discriminate Against Any Person Because of Race, Color, Religion, Sex, National Origin, Familial Status, or Disability in Connection with the Lease or HAP Contract***

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the HAP contract.

HUD Regulations: 24 CFR 982.452(b)(3); HAP Contract, HUD-52641(B)(9)(a); Tenancy Addendum, HUD-52641-A(13)
 Cross References: Administrative Plan § 13.1.E

(c) ***Cooperate with Opportunity Home and HUD in Conducting Equal Opportunity Compliance Reviews and Complaint Investigations in Connection with the HAP Contract***

The owner must cooperate with Opportunity Home and HUD in conducting equal opportunity compliance reviews and complaint investigations in connection with the HAP contract.

HUD Regulations: 24 CFR 982.452(b)(3); HAP Contract, HUD-52641(B)(9); Tenancy Addendum, HUD-52641-A(13)
 Cross References: Administrative Plan § 2.1.A, 2.1.B, and 13.1.E

(d) ***Make Modifications to a Unit Occupied or To Be Occupied by a Disabled Person***

- (i) It is unlawful for any person to refuse to permit, at the expense of a handicapped person, reasonable modifications of existing premises, occupied or to be occupied by a handicapped person, if the proposed modifications may be necessary to afford the handicapped person full enjoyment of the premises of a dwelling. In the case of a rental, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.
- (ii) The landlord may not increase for handicapped persons any customarily required security deposit. However, where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of such a restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in any such account shall accrue to the benefit of the tenant.

HUD Regulations:	24 CFR §§ 982.452(c) and 100.203
Cross References:	Administrative Plan § 8.1.A

13.1.D Owner Qualifications

- (1) Opportunity Home does not formally approve an owner to participate in the HCV program.
- (2) There are a number of criteria where Opportunity Home may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues.
- (3) No owner has a right to participate in the HCV program [24 CFR 982.306(e)].
- (4) **Owners Barred from Participation [24 CFR 982.306(a) and (b)]**
 - (a) Opportunity Home must not approve the assisted tenancy if Opportunity Home has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
 - (b) HUD may direct Opportunity Home not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

(5) Leasing to Relatives [24 CFR 982.306(d), HCV GB p. 11-2]

(a) Opportunity Home must not approve an RTA if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family.

(i) Opportunity Home will not approve an RTA if the owner is the first degree relative (e.g., parent, sibling, or offspring), second degree relative (e.g., grandparent, grandchild, uncle, aunt, nephew, niece, or half-sibling), or step-family member of any member of the family.

(ii) Opportunity Home may make an exception as a reasonable accommodation for a family member with a disability.

(b) The owner is required to certify that no such relationship exists.

(c) This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit.

(6) Conflict of Interest [24 CFR 982.161; HCV GB p. 8-19]

(a) Opportunity Home must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

(i) Any present or former member or officer of Opportunity Home (except a participant commissioner).

(ii) Any employee of Opportunity Home, or any contractor, subcontractor or agent of Opportunity Home, who formulates policy or who influences decisions with respect to the programs.

(iii) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs.

(iv) Any member of the Congress of the United States.

(b) HUD may waive the conflict of interest requirements, except for members of Congress, for good cause.

(i) Opportunity Home must submit a waiver request to the appropriate HUD Field Office for determination.

(ii) Any waiver request submitted by Opportunity Home must include [HCV Guidebook pp.11-2 and 11-3]:

(A) Complete statement of the facts of the case;

(B) Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;

- (C) Analysis of and statement of consistency with state and local laws. The local HUD office, Opportunity Home, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
 - (D) Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
 - (E) Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
 - (F) If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;
 - (G) If the case involves a public official or member of the governing body, explanation of their duties under state or local law, including reference to any responsibilities involving the HCV program;
 - (H) If the case involves employment of a family member by Opportunity Home or assistance under the HCV program for an eligible Opportunity Home employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
 - (I) If the case involves an investment on the part of a member, officer, or employee of Opportunity Home, description of the nature of the investment, including disclosure/divestiture plans.
- (c) Where Opportunity Home has requested a conflict of interest waiver, Opportunity Home may not execute the HAP contract until HUD has made a decision on the waiver request.
- (d) In considering whether to request a conflict of interest waiver from HUD, Opportunity Home will consider the following factors:
- (i) The reasons for waiving the requirement;
 - (ii) Consistency with state and local laws;
 - (iii) The existence of alternative housing available to families;
 - (iv) The individual circumstances of a particular family;
 - (v) The specific duties of individuals whose positions present a possible conflict of interest;
 - (vi) The nature of any financial investment in the property and plans for disclosure/divestiture; and
 - (vii) The possible appearance of impropriety.

(7) Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]

- (a) HUD regulations permit Opportunity Home, at its discretion, to refuse to approve a request for tenancy if the owner has committed any of a number of different actions.
- (b) If Opportunity Home disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units [HCV GB p. 11-4].

- (c) Opportunity Home will refuse to approve a request for tenancy if any of the following are true:
 - (i) The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
 - (ii) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
 - (iii) The owner has engaged in any drug-related criminal activity or any violent criminal activity;
 - (iv) The owner has a history or pattern of practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program during the preceding 18 months;
 - (v) The owner has a history or pattern of practice of serious and/or repeated HQS violations in units leased under the tenant-based programs during the preceding 18 months;
 - (vi) The owner has a history, or pattern of practice, of failing to terminate the tenancy of tenants in units assisted under the HCV program or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - (A) Threatens the right to peaceful enjoyment of the premises by other residents;
 - (B) Threatens the health or safety of other residents, of employees of Opportunity Home, or of owner employees or other persons engaged in management of the housing;
 - (C) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

- (D) Is drug-related criminal activity or violent criminal activity;
- (vii) The owner has a history or pattern of practice of renting units that fail to meet state or local housing codes;
- (viii) The owner has not paid state or local real estate taxes, fines, or assessment.
- (ix) The owner has not abided by The Fair Housing Act or The Americans with Disabilities Act.
- (d) In considering whether to disapprove owners for any of the discretionary reasons listed above, Opportunity Home will consider any mitigating factors. Such factors may include, but are not limited to:
 - (i) The seriousness of the violation in relation to program requirements;
 - (ii) The impact on the ability of families to lease units under the program; and
 - (iii) The health and safety of participating families.

(8) Legal Ownership of Unit

- (a) Opportunity Home will only enter into a contractual relationship with the legal owner of a qualified unit, or their designated representative.
- (b) If a party other than the owner will manage the property, the owner must provide:
 - (i) A copy of the most current management agreement form (for example, Texas Association of Realtors or Texas Real Estate Commission forms if a member); or
 - (ii) An affidavit, a notarized statement or power of attorney specifying the designee(s), signed by the owner.
- (c) The above documents are not required for apartment complexes, which are properties with more than four units.
- (d) No tenancy will be approved without acceptable documentation of legal ownership, including, but not limited to:
 - (i) Recorded deed;
 - (ii) Final settlement statement signed by buyer, seller, and title company; or
 - (iii) Proof of taxes for the most recent year.
- (e) If the owner co-owns the property, the co-owner must provide a written and signed letter stating their authorization to lease the property under the HCV program.

13.1.E Non-Discrimination [HAP Contract – Form HUD-52641]

- (1) The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with Opportunity Home.
- (2) The owner must cooperate with Opportunity Home and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with Opportunity Home.
- (3) See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

13.2 HAP Contracts

13.2.A Overview

- (1) The HAP contract represents a written agreement between Opportunity Home and the owner of the dwelling unit occupied by an HCV assisted family.
 - (a) The contract spells out the owner's responsibilities under the program, as well as Opportunity Home's obligations.
 - (b) Under the HAP contract, Opportunity Home agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit.
- (2) The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and lease the space.

See chapter 15 for a discussion of any special housing types included in Opportunity Home's HCV program.

- (3) If Opportunity Home has given approval for the family of the assisted tenancy, the owner and Opportunity Home execute the HAP contract.

See chapter 9 for a discussion of the leasing process, including provisions for execution of the HAP contract.

13.2.B HAP Contract Contents

- (1) The HAP contract format is required by HUD, specifically Housing Assistance Payment (HAP) Contract, Form HUD-52641.
- (2) The HAP contract contains three parts:
 - (a) **Part A**
 - (i) Part A of the contract includes basic contract information about the:
 - (A) Name of the tenant family,
 - (B) Address of the contract unit,
 - (C) Names of all household members,
 - (D) First and last dates of initial lease term, amount of initial monthly rent to owner,
 - (E) Amount of initial housing assistance payment,
 - (F) Utilities and appliances to be supplied by owner and tenant, and
 - (G) Signatures of Opportunity Home and owner [HCV Guidebook, pp 11-10 and 11-11].

- (ii) In general, the HAP contract cannot be modified. However, Opportunity Home does have the discretion to add language to Part A of the HAP contract that:
 - (A) Prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants; and
 - (B) Defines when the housing assistance payment by Opportunity Home is deemed received by the owner (e.g., upon mailing by Opportunity Home or actual receipt by the owner).

(iii) Opportunity Home will not modify the HAP contract.

(b) **Part B**

- (i) Part B is the body of the contract. It describes in detail program requirements affecting the owner and owner roles and responsibilities under the HCV program.
- (ii) Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this plan.
- (iii) Topics addressed in Part B include:
 - (A) Lease of Contract Unit;
 - (B) Maintenance, Utilities, and Other Services;
 - (C) Term of HAP Contract;
 - (D) Provision and Payment of Utilities and Appliances;
 - (E) Rent to Owner: Reasonable Rent;
 - (F) Opportunity Home Payment to Owner;
 - (G) Prohibition of Discrimination;
 - (H) Owner's Breach of HAP Contract;
 - (I) Opportunity Home and HUD Access to Premises and Owner's Records;
 - (J) Exclusion of Third Party Rights;
 - (K) Conflict of Interest;
 - (L) Assignment of the HAP Contract;
 - (M) Written Notices; and
 - (N) Entire Agreement Interpretation.

(c) **Part C**

- (i) Part C of the contract includes the Tenancy Addendum (Form HUD-52641-A). The addendum sets forth the tenancy requirements

for the program and the composition of the household, as approved by Opportunity Home.

- (ii) The owner must sign the HUD Tenancy Addendum with the prospective tenant, and the tenant has the right to enforce the Tenancy Addendum against the owner.
- (iii) The terms of the Tenancy Addendum prevail over any other provisions of the lease.

13.2.C HAP Contract Payments

(1) General

- (a) During the term of the HAP contract, and subject to the provisions of the HAP contract, Opportunity Home must make monthly HAP payments to the owner on behalf of the family, at the beginning of each month.
- (b) If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.
- (c) The amount of the HAP payment is determined according to the policies described in Chapter 6, and is subject to change during the term of the HAP contract.
- (d) Opportunity Home must notify the owner and the family in writing of any changes in the HAP payment.
- (e) HAP payments can be made only during the lease term, and only while the family is residing in the unit.
- (f) The monthly HAP payment by Opportunity Home is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant, plus Opportunity Home's HAP payment, should be equal to the rent specified in the lease (the rent to owner).
- (g) The family is not responsible for payment of the HAP payment, and Opportunity Home is not responsible for payment of the family share of rent.
- (h) The family's share of the rent cannot be more than the difference between the total rent to the owner and the HAP payment.
 - (i) The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)].
 - (ii) 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)].

See chapter 9 for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

- (i) If the owner receives any excess HAP from Opportunity Home, the excess amount must be returned immediately.
- (j) If Opportunity Home determines that the owner is not entitled to all or a portion of the HAP, Opportunity Home may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract.

See Chapter 16 for additional detail on owner reimbursement of HAP overpayments.

(2) Owner Certification of Compliance

- (a) Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract [HAP Contract – Form HUD-52641].
- (b) By endorsing the monthly check from Opportunity Home, the owner certifies to compliance with the terms of the HAP contract. This includes certification that:
 - (i) The owner is maintaining the unit and premises in accordance with HQS;
 - (ii) The contract unit is leased to the tenant family and, to the best of the owner’s knowledge, the family resides in the unit as the family’s only residence;
 - (iii) The rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and
 - (iv) The owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

(3) Late HAP Payments [24 CFR 982.451(a)(5)]

- (a) Opportunity Home is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for penalties if Opportunity Home fails to make the HAP payment on time.
- (b) Penalties for late HAP payments can only be imposed if:
 - (i) The penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants;

- (ii) It is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and
 - (iii) The owner charges the assisted family for late payment of the family's share of the rent.
 - (c) Opportunity Home is not required to pay a late payment penalty if:
 - (i) HUD determines that the payment is late for reasons beyond Opportunity Home's control; or
 - (ii) Opportunity Home intentionally delays or denies payment as a remedy to an owner breach of the HAP contract [HCV Guidebook p. 11-7].
- (4) Termination of HAP Payments [24 CFR 982.311(b)]**
- (a) Opportunity Home must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and the HAP contract is not violated.
 - (b) HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.
 - (c) If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, Opportunity Home must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.
 - (i) If the owner has obtained a court judgment allowing the owner to evict the tenant, Opportunity Home will terminate HAP to the owner on the earlier of the following dates:
 - (A) The last day of the month in which the eviction judgment was ordered; or
 - (B) The last day of the month in which the family vacated the unit.
 - (ii) If the family does not vacate the unit after the owner has obtained an eviction judgment, and the owner obtain a writ of possession to enforce the eviction within 30 days of the date on the eviction judgment, Opportunity Home will terminate HAP to the owner on last day of the month in which the writ of possession was issued.

13.2.D Breach of HAP Contract [24 CFR 982.453]

- (1) Any of the following actions by the owner constitutes a breach of the HAP contract:
 - (a) If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
 - (b) If the owner has violated any obligation under any other HAP contract under Section 8
 - (c) If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
 - (d) For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
 - (e) If the owner has engaged in drug-related criminal activity
 - (f) If the owner has committed any violent criminal activity
- (2) If Opportunity Home determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.
- (3) Opportunity Home's rights and remedies against the owner under the HAP contract include:
 - (a) Recovery of any HAP overpayment,
 - (b) Suspension of housing assistance payments,
 - (c) Abatement or reduction of the housing assistance payment, and
 - (d) Termination of the payment or termination of the HAP contract.
- (4) Opportunity Home may also obtain additional relief by judicial order or action.
- (5) Opportunity Home must notify the owner of its determination and provide in writing the reasons for the determination.
 - (a) The notice may require the owner to take corrective action by an established deadline.
 - (b) Opportunity Home must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.
- (6) Before Opportunity Home invokes a remedy against an owner, Opportunity Home will evaluate all information and documents available to determine if

the contract has been breached. If relevant, Opportunity Home will conduct an audit of the owner's records pertaining to the tenancy or unit.

- (7) If it is determined that the owner has breached the contract, Opportunity Home will consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

13.2.E HAP Contract Term and Terminations

- (1) The term of the HAP contract runs concurrently with the term of the dwelling lease [24 CFR 982.451(a)(2)], beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.
- (2) The HAP contract and the housing assistance payments made under the HAP contract terminate if [HCV Guidebook pp.11-4 and 11-5, pg. 15-3]:
 - (a) The owner or the family terminates the lease;
 - (b) The lease expires;
 - (c) Opportunity Home terminates the HAP contract;
 - (d) Opportunity Home terminates assistance for the family;
 - (e) The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
 - (f) 180 calendar days have elapsed since Opportunity Home made the last housing assistance payment to the owner;
 - (g) The family is absent from the unit for longer than the maximum period permitted by Opportunity Home;
 - (h) The Annual Contributions Contract (ACC) between Opportunity Home and HUD expires
 - (i) Opportunity Home elects to terminate the HAP contract.
- (3) Opportunity Home may elect to terminate the HAP contract in each of the following situations:
 - (a) Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];
 - (b) The unit does not meet HQS size requirements due to change in family composition [24 CFR 982.403] – see chapter 8;
 - (c) The unit does not meet HQS [24 CFR 982.404] – see chapter 8;
 - (d) The family breaks up [HUD Form 52641] – see chapter 3;

- (e) The owner breaches the HAP contract [24 CFR 982.453(b)] (see 13.2.D).
- (4) If Opportunity Home terminates the HAP contract, Opportunity Home must give the owner and the family written notice. The notice must specify the:
 - (a) Reasons for the termination, and
 - (b) Effective date of the termination.
- (5) Once a HAP contract is terminated, no further HAP payments may be made under that contract [HCV Guidebook pg.15-4].
- (6) Except in cases where the family is evicted from the unit or vacates the unit prior to the contract termination date, the HAP contract terminates at the end of the calendar month that follows the calendar month in which Opportunity Home gives written notice to the owner.
 - (a) The owner is not entitled to any housing assistance payment after this period.
 - (b) The owner must return to Opportunity Home any housing assistance payment received after this period.
- (7) If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required [HCV GB, p. 11-17].
- (8) When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicative subsidy [HCV GB, p. 8-22].

13.2.F Change in Ownership / Assignment of the HAP Contract [HUD-52641]

- (1) The HAP contract cannot be assigned to a new owner without the prior written consent of Opportunity Home.
- (2) An owner under a HAP contract must notify Opportunity Home in writing prior to a change in the legal ownership of the unit.
 - (a) The owner must supply all information as requested by Opportunity Home.
 - (b) Opportunity Home must receive a signed, written request from the existing or new owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

(c) Within 10 business days of receiving the owner's request, Opportunity Home will inform the current owner in writing whether the assignment may take place.

(3) Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract.

(4) The agreement between the new owner and the former owner must be in writing and in a form that Opportunity Home finds acceptable.

(a) The new owner must provide Opportunity Home with a copy of the executed agreement.

(b) The new owner must provide a written certification to Opportunity Home that includes:

(i) A copy of the HUD settlement statement including the signature of the seller, buyer, and title agent or other document showing the transfer of title and recorded deed;

(ii) A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner;

(iii) Verification of EIN/SSN;

(iv) A written agreement to comply with the terms of the HAP contract; and

(v) Confirmation that the new owner is not a prohibited relative.

(c) If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, Opportunity Home will terminate the HAP contract with the old owner.

(d) If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, Opportunity Home will process the new lease in accordance with the policies in Chapter 9.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 14

PROGRAM INTEGRITY

Chapter 14: Program Integrity

Opportunity Home is committed to ensuring that subsidy funds made available to Opportunity Home are spent in accordance with HUD requirements.

This chapter covers HUD and Opportunity Home policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

PART 1: Preventing, Detecting, and Investigating Errors and Program Abuse

This part presents Opportunity Home policies related to preventing, detecting, and investigating errors and program abuse.

PART 2: Corrective Measures and Penalties

This part describes the corrective measures Opportunity Home must and may take when errors or program abuses are found.

14.1 Preventing, Detecting, and Investigating Errors and Program Abuse

14.1.A Preventing Errors and Program Abuse

- (1) HUD created the Enterprise Income Verification (EIV) system to provide Opportunity Home with a powerful tool for preventing errors and program abuse.
 - (a) Opportunity Home is required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233].
 - (b) Opportunity Home is further required to:
 - (i) Provide applicants and participants with form HUD-52675, “Debts Owed to PHAs and Terminations”
 - (ii) Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file
- (2) Opportunity Home anticipates that the vast majority of families, owners, and Opportunity Home employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. To ensure that Opportunity Home’s HCV program is administered effectively and according to the highest ethical and legal standards, Opportunity Home will employ a variety of techniques to ensure that both errors and intentional program abuse are rare:
 - (a) Opportunity Home will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.
 - (b) Opportunity Home will provide each applicant and participant with the publication *Things You Should Know (HUD-1140-OIG)* that explains the types of actions a family must avoid and the penalties for program abuse.
 - (c) Opportunity Home will place a warning statement about the penalties for fraud (as described in the False Statement Act, U.S.C. 1001 and 1010) on key Opportunity Home forms and form letters that request information from a family or owner.
 - (d) Opportunity Home staff will be required to review and explain the contents of all HUD- and Opportunity Home-required forms prior to requesting family member signatures.
 - (e) Opportunity Home will offer first-time owners and property managers to participate in a briefing session on HAP contract requirements.
 - (f) Opportunity Home will provide each Opportunity Home employee with the necessary training on program rules and the organization’s standards of conduct and ethics.

(3) **Definitions**

For purposes of this chapter, the following definitions apply:

- (a) *Error* refers to an unintentional error or omission.
- (b) *Fraud and program abuse* refer to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

14.1.B Detecting Errors and Program Abuse

In addition to taking steps to prevent errors and program abuse, Opportunity Home will use a variety of activities to detect errors and program abuse.

(1) **Quality Control and Analysis of Data**

- (a) Under the Section 8 Management Assessment Program (SEMAP), HUD requires Opportunity Home to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS compliance [24 CFR, Part 985].

See Chapter 16 for additional information about SEMAP requirements.

- (b) In addition to Opportunity Home's internal quality control requirements, Opportunity Home will employ a variety of methods to detect errors and program abuse.
 - (i) Opportunity Home routinely will use available sources of up-front income verification to compare with family-provided information.
 - (ii) At each annual reexamination, current information provided by the family will be compared to information provided during the previous 12 months to identify inconsistencies and incomplete information.
 - (iii) Opportunity Home will compare family-reported income and expenditures to detect possible unreported income.
 - (iv) Opportunity Home may conduct credit bureau inquiries (with proper authorization by the participant) in the following circumstances:
 - (A) When Opportunity Home receives an allegation wherein unreported income sources are disclosed.
 - (B) When a participant's expenditures exceed their reported income and no plausible explanation is given.
 - (C) When a participant reports zero income.

- (v) Opportunity Home will conduct fraud investigations, which may include criminal background checks and verification of family circumstances, upon receiving an allegation of program abuse.

(2) **Independent Audits and HUD Monitoring**

- (a) OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit.
- (b) In addition, HUD conducts periodic on-site and automated monitoring of Opportunity Home activities and notifies Opportunity Home of errors and potential cases of program abuse.

- (c) Opportunity Home will use the results reported in any independent audit or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of Opportunity Home's error detection and abuse prevention efforts.

(3) **Individual Reporting of Possible Errors and Program Abuse**

Opportunity Home will encourage staff, program participants, and the public to report possible program abuse.

14.1.C Investigating Errors and Program Abuse

(1) **When Opportunity Home Will Investigate**

- (a) Opportunity Home will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for Opportunity Home to investigate, the allegation must contain at least one independently verifiable item of information, such as:
 - (i) The name of an employer,
 - (ii) The name of an unauthorized household member and unit address, or
 - (iii) The police report number.
- (b) Opportunity Home will investigate inconsistent information related to the family that is identified through file reviews and the verification process.
- (c) Any file documentation of past behavior as well as corroborating complaints will be evaluated.

(d) If at the conclusion of the preliminary file review there are facts contained in the allegation that conflict with file data and that have been independently verified, Opportunity Home will initiate an investigation.

(2) **Consent to Release of Information [24 CFR 960.259]**

- (a) Opportunity Home may investigate possible instances of error or abuse using all available Opportunity Home and public records.
- (b) If necessary, Opportunity Home will require HCV families to give consent to the release of additional information.

(3) **Analysis and Findings**

- (a) Opportunity Home will base its evaluation on a preponderance of the evidence collected during its investigation.
- (b) Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence
- (c) For each investigation, Opportunity Home will determine:
 - (i) Whether an error or program abuse has occurred,
 - (ii) Whether any amount of money is owed Opportunity Home, and
 - (iii) Which corrective measures or penalties will be assessed.

(4) **Consideration of Remedies**

- (a) All errors and instances of program abuse must be corrected prospectively.
- (b) Whether Opportunity Home will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.
 - (i) In the case of family-caused errors or program abuse, Opportunity Home will take into consideration:
 - (A) The seriousness of the offense and the extent of participation or culpability of individual family members;
 - (B) Any special circumstances surrounding the case;
 - (C) Any mitigating circumstances related to the disability of a family member; and
 - (D) The effects of a particular remedy on family members who

were not involved in the offense.

- (ii) In the case of owner-caused errors or program abuse, Opportunity Home will take into consideration:
 - (A) The seriousness of the offense;
 - (B) The length of time since the violation has occurred; and
 - (C) The effects of a particular remedy on family members who were not involved in the offense.

(5) **Notice and Appeals**

Opportunity Home will inform the relevant party in writing of its findings and remedies within 30 business days of the conclusion of the investigation. The notice will include

- (a) A description of the error or program abuse;
- (b) The basis on which Opportunity Home determined the error or program abuses;
- (c) The remedies to be employed; and
- (d) The families right to appeal the results through the informal review or hearing process, if applicable (see Chapter 16).

14.2 Corrective Measures and Penalties

14.2.A Subsidy Under- or Overpayments

- (1) A subsidy under- or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.
- (2) **Corrections**
 - (a) Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, Opportunity Home must promptly correct the HAP, family share, and any utility reimbursement prospectively.
 - (b) Increases in the family share will be implemented only after the family has received a 30-day notice.
 - (c) Any decreases in family share will become effective the first of the month following the discovery of the error.
 - (d) Decreases in family share will be retroactive.
 - (e) Payment to owners shall continue in cases of family-caused violations in accordance with Section 13.2.C.
- (3) **Reimbursement**
 - (a) Whether the family or owner is required to reimburse Opportunity Home or Opportunity Home is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse.
 - (b) Policies regarding reimbursement are discussed in the three sections that follow.

14.2.B Family-Caused Errors and Program Fraud

- (1) Family obligations and general administrative requirements for participating in the program are discussed throughout this plan. This section deals specifically with errors and program abuse by family members.
- (2) An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows Opportunity Home to use incorrect information provided by a third party.

(3) Family Reimbursement to Opportunity Home [HCV GB pp. 22-12 to 22-13]

- (a) In the case of family-caused errors, the family will be required to repay any excess subsidy received.
 - (i) Opportunity Home will offer the family a repayment agreement in accordance with Chapter 16.
 - (ii) If the family fails to repay the excess subsidy, Opportunity Home will:
 - (A) Terminate the family's assistance in accordance with the policies in Chapter 12, and
 - (B) Pursue collection of the excess subsidy through third-party collection.
- (b) In the case of program fraud or abuse committed by the family, Opportunity Home will refer the family for state or federal criminal prosecution as described in Section 14.2.E.

(4) Opportunity Home Reimbursement to Family [HCV GB p. 22-12]

Opportunity Home will not reimburse the family for any underpayment of assistance when the family clearly causes the underpayment.

(5) Prohibited Actions

- (a) An applicant or participant in the HCV program must not knowingly:
 - (i) Make a false statement to Opportunity Home [Title 18 U.S.C. Section 1001]; or
 - (ii) Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)].
- (b) Any of the following will be considered evidence of family program abuse:
 - (i) Making payment to the owner, or entering into an agreement with the owner to make payment, in excess of amounts authorized by Opportunity Home for rent, security deposit, and additional services;
 - (ii) Offering bribes or illegal gratuities to Opportunity Home's Board of Commissioners, employees, contractors, or other Opportunity Home representatives;

- (iii) Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to Opportunity Home on the family's behalf;
- (iv) Using of a false name or the use of falsified, forged, or altered documents;
- (v) Intentionally misreporting of family information or circumstances (e.g. income, family composition);
- (vi) Omitting facts that were obviously known by a family member (e.g., not reporting employment income);
- (vii) Admitting program abuse (by any adult family member); or
- (viii) Violating any of the following Family Obligations (see Section 5.1.C);
 - (A) Use the Assisted Unit for the Family's Residence and Only Residence;
 - (B) Conduct Legal Profit Making Only as a Subordinate Use of the Assisted Unit;
 - (C) Do Not Sublease or Let the Unit;
 - (D) Do Not Assign the Lease or Transfer the Unit;
 - (E) Do Not Receive Assistance for a Unit Owned by the Family or in which the Family has an Interest;
 - (F) Do Not Receive Assistance for a Unit Owned by an Unassisted Family Member; and
 - (G) Do Not Receive Any Other Federal, State or Local Housing Assistance.
- (c) Opportunity Home may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

(6) Penalties for Program Abuse

In the case of program abuse caused by a family, Opportunity Home may, at its discretion, impose any of the following remedies.

- (a) Opportunity Home may require the family to repay excess subsidy amounts paid by Opportunity Home, as described earlier in this section.
- (b) Opportunity Home may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the

unit. See policies in Chapter 3 (for applicants) and Chapter 12 (for participants).

- (c) Opportunity Home may deny or terminate the family's assistance following the policies set forth in Chapter 3 and Chapter 12, respectively.
- (d) Opportunity Home may refer the family for state or federal criminal prosecution as described in Section 14.2.E.

14.2.C Owner-Caused Error or Program Abuse

- (1) Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance and Fair Housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.
- (2) An incorrect subsidy determination caused by an owner generally would be the result of:
 - (a) The owner submitting an incorrect statement about the characteristics of the assisted unit (e.g., the number of bedrooms, the utilities paid by the family, etc.); or
 - (b) The owner accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.
- (3) **Owner Reimbursement to Opportunity Home**
 - (a) In all cases of overpayment of subsidy caused by the owner, the owner must repay to Opportunity Home any excess subsidy received.
 - (b) Opportunity Home may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, Opportunity Home may allow the owner to pay in installments over a period of time [HCV GB p. 22-13].
 - (c) In cases where the owner has received excess subsidy, Opportunity Home will require the owner to repay the amount owed in accordance with the policies in Section 16.4.B.
- (4) **Prohibited Owner Actions**
 - (a) An owner participating in the HCV program must not:
 - (i) Make any false statement to Opportunity Home [Title 18 U.S.C. Section 1001].

- (ii) Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

(b) Any of the following will be considered evidence of owner program abuse:

- (i) Charging the family rent above or below the amount specified by Opportunity Home;
- (ii) Charging a security deposit other than that specified in the family's lease;
- (iii) Charging the family for services that are provided to unassisted tenants at no extra charge;
- (iv) Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit;
- (v) Knowingly accepting incorrect or excess housing assistance payments;
- (vi) Knowingly accepting subsidy for an all-bills-paid unit while utilities remain under tenant's name;
- (vii) Offering bribes or illegal gratuities to Opportunity Home's Board of Commissioners, employees, contractors, or other Opportunity Home representatives;
- (viii) Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to Opportunity Home;
- (ix) Residing in the unit with an assisted family;
- (x) Subleasing of space in the assisted unit;
- (xi) Not allowing the participant full and unprohibited access and use of areas assisted under the HAP contract;
- (xii) Committing sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes defined in Chapter 2; or
- (xiii) Retaliating against any applicant or participant reporting/alleging sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes defined in Chapter 2.

(5) **Remedies and Penalties**

When Opportunity Home determines that the owner has committed program abuse, Opportunity Home may take any of the following actions:

- (a) Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 16.
- (b) Terminate the HAP contract (See Chapter 13).
- (c) Bar the owner from future participation in any Opportunity Home programs.
- (d) Refer the case to state or federal officials for criminal prosecution as described in Section 14.2.E.

14.2.D Opportunity Home-Caused Errors or Program Abuse

- (1) The responsibilities and expectations of Opportunity Home staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of an Opportunity Home staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in Opportunity Home's personnel policy.
- (2) Opportunity Home-caused incorrect subsidy determinations include:
 - (a) Failing to correctly apply HCV rules regarding family composition, income, assets, and expenses;
 - (b) Assigning the incorrect voucher size to a family; and
 - (c) Errors in calculation.
- (3) **Repayment to Opportunity Home**

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by Opportunity Home staff [HCV GB. 22-12].
- (4) **Opportunity Home Reimbursement to Family or Owner**

Opportunity Home must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse. Funds for this reimbursement must come from Opportunity Home's administrative fee reserves [HCV GB p. 22-12].

(5) **Prohibited Activities**

Any of the following will be considered evidence of program abuse by Opportunity Home staff:

- (a) Failing to comply with any HCV program requirements for personal gain;
- (b) Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner;
- (c) Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to Opportunity Home;
- (d) Disclosing confidential or proprietary information to outside parties;
- (e) Gaining profit as a result of insider knowledge of Opportunity Home activities, policies, or practices;
- (f) Misappropriating or misusing Opportunity Home funds;
- (g) Destroying, concealing, removing, or inappropriately using any records related to the HCV program;
- (h) Unauthorized removal of Opportunity Home property, to include files and/or documents; or
- (i) Committing any other corrupt or criminal act in connection with any federal housing program.

14.2.E Criminal Prosecution

- (1) When Opportunity Home determines that program abuse by an owner, family, or Opportunity Home staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, Opportunity Home will refer the matter to
 - (a) The HUD Office of Inspector General (OIG); and
 - (b) The appropriate entity for prosecution.
- (2) Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

14.2.F Fraud and Program Abuse Recoveries

- (1) Opportunity Home may retain a portion of program fraud losses that Opportunity Home recovers from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].
- (2) Opportunity Home must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse.
- (3) 24 CFR 792.202 permits Opportunity Home to retain the greater of:
 - (a) 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
 - (b) Reasonable and necessary costs that Opportunity Home incurs related to the collection including costs of investigation, legal fees, and agency collection fees.
- (4) The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.
- (5) If HUD incurs costs on behalf of Opportunity Home related to the collection, these costs must be deducted from the amount retained by Opportunity Home.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 15

SPECIAL HOUSING TYPES

Chapter 15: Special Housing Types

[24 CFR 982 Subpart M]

Opportunity Home may permit a family to use any of the special housing types discussed in this chapter. However, Opportunity Home is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that Opportunity Home must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability. Opportunity Home also may limit the number of families who receive HCV assistance in these housing types and cannot require families to use a particular housing type. No special funding is provided for special housing types.

Families will be able to utilize the following special housing types as long as the family qualifies under the requirements of the program and use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

- Congregate Housing
- Group Homes
- Shared Housing
- Cooperative Housing

Families will be able to utilize the following special housing types as long as they qualify under the requirements of the program.

- Manufactured Homes (including manufactured home space rental)
- Homeownership

Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership [24 CFR 982.601].

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

PART 1: Congregate Housing

PART 2: Group Homes

PART 3: Shared Housing

PART 4: Cooperative Housing

PART 5: Manufactured Homes (including manufactured home space rental)

PART 6: Homeownership

15.1 Congregate Housing [24 CFR 982.606 through 982.609]

15.1.A Overview

- (1) Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.
- (2) If approved by Opportunity Home, a family member or live-in aide may reside with the elderly person or person with disabilities. Opportunity Home must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
- (3) When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

15.1.B Payment Standard, Utility Allowance, and HAP Calculation

- (1) The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), Opportunity Home must use the payment standard for a 0-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), Opportunity Home must use the 1-bedroom payment standard.
- (2) The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.
- (3) The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

15.1.C Housing Quality Standards

- (1) HQS requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below.
- (2) Congregate housing must have:
 - (a) A refrigerator of appropriate size in the private living area of each resident;
 - (b) A central kitchen and dining facilities located within the premises and accessible to the residents, and

- (c) Food service for the residents that is not provided by the residents themselves.
- (3) The housing quality standards applicable to lead-based paint do not apply.

15.2 Group Home [24 CFR 982.610 through 982.614 and HCV GB p. 7-4]

15.2.A Overview

- (1) A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities.
- (2) Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities.
- (3) Persons living in a group home must not require continuous medical or nursing care.
- (4) A group home consists of:
 - (a) Bedrooms for residents, which can be shared by no more than two people;
 - (b) A living room;
 - (c) A Kitchen;
 - (d) A dining area;
 - (e) A bathroom; and
 - (f) Other appropriate social, recreational, or community space that may be shared with other residents.
- (5) No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.
- (6) If approved by Opportunity Home, a live-in aide may live in the group home with a person with disabilities. Opportunity Home must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
- (7) When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, and the standard form of the HAP contract is used.

15.2.B Payment Standard, Utility Allowance, and HAP Calculation

- (1) Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be 0- or 1-bedroom, depending on Opportunity Home's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.
- (2) The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the group home size. The prorata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

- (3) The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.
- (4) The utility allowance for an assisted occupant in a group home is the prorata share of the utility allowance for the group home.
- (5) The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness.
 - (a) The rent for an assisted person must not exceed the prorata portion of the reasonable rent for the group home.
 - (b) In determining reasonable rent, Opportunity Home should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

15.2.C Housing Quality Standards

- (1) HQS requirements described in Chapter 8 apply to group homes except for the requirements stated below.
 - (a) *Sanitary Facilities:* A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
 - (b) *Food Preparation and Service:* Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
 - (c) *Space and Security:* Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.
 - (d) *Structure and Material:* To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.

- (e) *Site and Neighborhood*: Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:
- (i) Dangerous walks or steps
 - (ii) Instability
 - (iii) Flooding, poor drainage
 - (iv) Septic tank back-ups
 - (v) Sewage hazards
 - (vi) Mudslides
 - (vii) Abnormal air pollution
 - (viii) Smoke or dust
 - (ix) Excessive noise
 - (x) Vibrations or vehicular traffic
 - (xi) Excessive accumulations of trash
 - (xii) Vermin or rodent infestation, and
 - (xiii) Fire hazards.

- (2) The housing quality standards applicable to lead-based paint do not apply.

15.3 Shared Housing [24 CFR 982.615 through 982.618]

15.3.A Overview

- (1) Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of:
 - (a) A common space for use by the occupants of the unit, and
 - (b) A separate private space for each assisted family.
- (2) An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons.
- (3) The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.
- (4) If approved by Opportunity Home, a live-in aide may reside with the family to care for a person with disabilities. Opportunity Home must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
- (5) When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

15.3.B Payment Standard, Utility Allowance and HAP Calculation

- (1) The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the shared housing unit size.
- (2) The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.
- (3) The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP.
- (4) The utility allowance for an assisted family living in shared housing is the lower of the utility allowance for the family unit size (voucher size) or the prorata share of the utility allowance for the shared housing unit.

Example: A family holds a 2-bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit.

The utility allowance for a 4-bedroom unit equals \$200

The utility allowance for a 2-bedroom unit equals \$100

The prorata share of the utility allowance is \$150 (3/4 of \$200)

Opportunity Home will use the 2-bedroom utility allowance of \$100

- (5) The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness.
 - (a) The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit.
 - (b) In determining reasonable rent, Opportunity Home should consider whether sanitary and food preparation areas are private or shared.

15.3.C Housing Quality Standards

- (1) Opportunity Home may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.
- (2) HQS requirements described in Chapter 8 apply to shared housing except for the requirements stated below.
 - (a) *Facilities Available for the Family*: Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.
 - (b) *Space and Security*: The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size. A 0-bedroom or 1-bedroom unit may not be used for shared housing.

15.4 Cooperative Housing [24 CFR 982.619]

15.4.A Overview

- (1) This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.
- (2) A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged “rent” a cooperative member is charged a “carrying charge.”
- (3) When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

15.4.B Payment Standard, Utility Allowance and HAP Calculation

- (1) The payment standard and utility allowance are determined according to regular HCV program requirements.
- (2) The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP.
 - (a) The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds.
 - (b) The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

15.4.C Housing Quality Standards

- (1) All standard HQS requirements apply to cooperative housing units.
- (2) There are no additional HQS requirements.

15.5 Manufactured Homes [24 CFR 982.620 through 982.624; FR Notice 1/18/17]

15.5.A Overview

- (1) A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence.
- (2) HCV-assisted families may occupy manufactured homes in two different ways.
 - (a) A family can choose to rent a manufactured home already installed on a space and Opportunity Home must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided in 15-VI.D below.
 - (b) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space as well as certain other housing expenses for the manufactured home and receive HCV assistance with the rent for the space. Opportunity Home may, but is not required to, provide assistance for such families.

15.5.B Special Policies for Manufactured Homeowners who Lease a Space

(1) Family Income

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

(2) Lease and HAP Contract

There is a separate Tenancy Addendum (Form HUD-52642-a) and separate HAP Contract (Form HUD-52642) for this special housing type.

15.5.C Payment Standard, Utility Allowance and HAP Calculation [FR Notice 1/18/17]

(1) Payment Standards

- (a) The Opportunity Home payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard for Opportunity Home's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.
- (b) The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

(2) **Utility Allowance**

- (a) Opportunity Home must establish utility allowances for manufactured home space rental.
- (b) For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place.
- (c) Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.
- (d) If the amount of the monthly assistance payment for a family exceeds the monthly rent for the manufactured home space (including the owner's monthly management and maintenance charges), Opportunity Home may pay the remainder to the family, lender, or utility company.

(3) **Space Rent**

The rent for the manufactured home space (including other eligible housing expenses) is the total of:

- The rent charged for the manufactured home space;
- Owner maintenance and management charges for the space;
- The monthly payments made by the family to authorize the cost of purchasing the manufactured home, including any required insurance and property taxes; and
- The applicable allowance for tenant-paid utilities.

(4) **Amortization Costs**

- (a) The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made.
- (b) Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost.
- (c) Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family.
- (d) In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

(5) **Housing Assistance Payment**

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the manufactured home space rent (including other eligible housing expenses) minus the TTP.

(6) Rent Reasonableness

- (a) Initially, and annually thereafter Opportunity Home must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. Opportunity Home must consider the location and size of the space, and any services and maintenance to be provided by the owner.
- (b) By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

15.5.D Housing Quality Standards

- (1) Under either type of occupancy described in 15.5.A above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Chapter 8 of this plan.
- (2) In addition, the following requirement applies:
 - (a) A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.
 - (b) The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

15.6 Homeownership [24 CFR 982.625 through 982.643]

15.6.A Overview [24 CFR 982.625]

- (1) The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. Opportunity Home must have the capacity to operate a successful HCV homeownership program as defined by the regulations.
- (2) There are two forms of homeownership assistance described in the regulations: monthly homeownership assistance payments and a single down payment assistance grant. However, Opportunity Home may not offer down payment assistance until and unless funding is allocated by Congress. Since this has not yet happened, only monthly homeownership assistance may be offered.
 - (a) Opportunity Home has instituted a minimum homeowner down payment requirement of at least three percent of the purchase price, and requires that at least one percent of the purchase price come from the family's personal resources.
 - (b) Opportunity Home will offer the monthly homeownership assistance payments to qualified families.
- (3) Opportunity Home must offer homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
 - (a) It is the sole responsibility of Opportunity Home to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation.
 - (b) Opportunity Home must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability.
 - (c) Opportunity Home may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where Opportunity Home has otherwise opted not to implement a homeownership program.
- (4) Opportunity Home must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

15.6.B Family Eligibility [24 CFR 982.627]

- (1) The family must meet all of the requirements listed below before the commencement of homeownership assistance.
 - (a) The family must have been admitted to the Housing Choice Voucher program and in good standing for at least one year.
 - (b) The homeownership option will be included in all Briefing and Re-Housing classes as well as media and community announcements. Current Section 8 participants must be in compliance with their lease and program requirements and must terminate their current lease arrangement in compliance with the lease.
 - (c) The family must qualify as a first-time homeowner, or may be a cooperative member.
 - (d) The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. Opportunity Home may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not Opportunity Home's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.
 - (e) Public assistance income may not be used for meeting the minimum income requirement, except for households in which the head or co-head is elderly or disabled and households that include a disabled person other than head or co-head. (Public Assistance includes federal housing assistance or the housing component of a welfare grant; TANF assistance; SSI that is subject to an income eligibility test; food stamps; general assistance or other assistance provided under a Federal, state or local program that provides assistance available to meet family living or housing expenses.)
 - (f) For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
 - (g) For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
 - (h) The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a

full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.

- (i) The employment requirement does not apply to elderly and disabled families. In addition, if a family other than an elderly or disabled family includes a person with disabilities, Opportunity Home must grant an exemption from the employment requirement if Opportunity Home determines that it is needed as a reasonable accommodation.
 - (j) The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option
 - (k) Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
 - (l) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).
- (2) Opportunity Home may also establish additional initial requirements as long as they are described in Opportunity Home's administrative plan.

- (a) For disabled and elderly families, there will be no additional minimum income requirement. The requirements of 982.627(c)(3) will be applicable.
- (b) Families will be considered "continuously employed" if the break in employment does not exceed four months.
- (c) Opportunity Home will count self-employment in a business when determining whether the family meets the employment requirement.
- (d) Opportunity Home will impose additional eligibility requirements. To be eligible to participate in the homeownership option, families must meet the following criteria:
 - (i) The family is not within the initial one-year period of a HAP Contract.
 - (ii) The family does not owe money to Opportunity Home.
 - (iii) The family has not committed any serious or repeated violations of an Opportunity Home-assisted lease within the past year.

15.6.C Selection of Families [24 CFR 982.626]

- (1) Unless otherwise provided (under the homeownership option), Opportunity Home may limit homeownership assistance to families or purposes defined by Opportunity Home, and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in Opportunity Home’s administrative plan.
- (2) If Opportunity Home limits the number of families that may participate in the homeownership option, Opportunity Home must establish a system by which to select families to participate.

- (a) The following families will be recruited for participation in the homeownership program:
 - (i) Families who have been participating in Opportunity Home’s Family Self-Sufficiency (FSS) program for at least six months;
 - (ii) Families who have graduated from the FSS program; and
 - (iii) Elderly and disabled families.
- (b) All families must meet eligibility requirements as defined in Section 15.6.B.

15.6.D Eligible Units [24 CFR 982.628]

- (1) In order for a unit to be eligible, Opportunity Home must determine that the unit satisfies all of the following requirements:
 - (a) The unit must meet HUD’s “eligible housing” requirements. The unit may not be any of the following:
 - (i) A public housing or Indian housing unit;
 - (ii) A unit receiving Section 8 project-based assistance;
 - (iii) A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
 - (iv) A college or other school dormitory;
 - (v) On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
 - (b) The unit must be under construction or already exist at the time the family enters into the contract of sale.
 - (c) The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.

- (d) The unit must have been inspected by Opportunity Home and by an independent inspector designated by the family.
 - (e) The unit must meet Housing Quality Standards (see Chapter 8).
 - (f) For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.
 - (g) For Opportunity Home-owned units all of the following conditions must be satisfied:
 - (i) Opportunity Home informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and an Opportunity Home-owned unit is freely selected by the family without pressure or steering from Opportunity Home;
 - (ii) The unit is not ineligible housing;
 - (iii) Opportunity Home obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any Opportunity Home provided financing. All of these actions must be completed in accordance with program requirements.
- (2) Opportunity Home must not approve the unit if Opportunity Home has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

15.6.E Additional Opportunity Home Requirements for Search and Purchase [24 CFR 982.629]

- (1) It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance.
- (2) Opportunity Home may establish the maximum time that will be allowed for a family to locate and purchase a home, and may require the family to report on their progress in finding and purchasing a home.
 - (a) The family will be allowed 120 days to identify a unit and submit a sales contract to Opportunity Home for review, and an additional 120 days to close on the home.
 - (i) Opportunity Home may grant extensions to either of these periods for good cause.
 - (A) The length of the extension(s) will be determined on a case-by-case basis.

- (B) Any request for an extension will be reviewed on a case-by-case basis.
 - (C) All requests for extensions must be submitted in writing to Opportunity Home prior to the expiration of the period for which the extension is being requested.
 - (D) Opportunity Home will approve or disapprove the extension request within 10 business days.
 - (E) The family will be notified of Opportunity Home's decision in writing.
- (ii) During these periods, the family will continue to receive HCV rental assistance in accordance with any applicable lease and HAP contract until the family vacates the rental unit for its purchased home.
- (b) The family will be required to report their progress on locating and purchasing a home to Opportunity Home every 30 days until the home is purchased.

- (3) If the family is unable to purchase a home within the maximum time established by Opportunity Home, Opportunity Home may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

- (a) If the family cannot complete the purchase of a unit within the maximum required time frame, and is not receiving rental assistance under a HAP contract at the time the search and purchase time period expires, the family will be issued a voucher to lease a unit.

15.6.F Homeownership Counseling [24 CFR 982.630]

- (1) Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by Opportunity Home.

- (a) Families must attend a pre-purchase counseling course prior to purchase and a post-purchase course after closing.

- (2) HUD suggests the following topics for the Opportunity Home-required pre-assistance counseling:
- (a) Home maintenance (including care of the grounds);
 - (b) Budgeting and money management;
 - (c) Credit counseling;

- (d) How to negotiate the purchase price of a home;
 - (e) How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
 - (f) How to find a home, including information about homeownership opportunities, schools, and transportation in Opportunity Home jurisdiction;
 - (g) Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
 - (h) Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
 - (i) Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.
- (3) Opportunity Home may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.
- (4) Opportunity Home may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If Opportunity Home offers a program of ongoing counseling for participants in the homeownership option, Opportunity Home shall have discretion to determine whether the family is required to participate in the ongoing counseling.
- (5) If Opportunity Home does not use a HUD-approved housing counseling agency to provide the counseling, Opportunity Home should ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

15.6.G Home Inspections, Contract of Sale, and Opportunity Home Disapproval of Seller [24 CFR 982.631]

- (1) **Home Inspections**
- (a) Opportunity Home may not commence monthly homeownership assistance payments for a family until Opportunity Home has inspected the unit and has determined that the unit passes HQS.
 - (b) An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be

qualified to report on property conditions, including major building systems and components.

- (c) Opportunity Home may not require the family to use an independent inspector selected by Opportunity Home. The independent inspector may not be an Opportunity Home employee or contractor, or other person under control of Opportunity Home. However, Opportunity Home may establish standards for qualification of inspectors selected by families under the homeownership option.
- (d) Opportunity Home may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.
- (e) When the family locates a home they wish to purchase and submits a copy of their purchase offer/contract, Opportunity Home will conduct a Housing Quality Standards (HQS) inspection within a reasonable period. Any items found not to meet HQS must be repaired before the unit can be determined eligible for the homeownership program.
- (f) The family must hire an independent professional inspector, whose report must be submitted to Opportunity Home for review. The inspector must be recognized by the Texas Real Estate Commission and may not be an Opportunity Home employee.
- (g) Opportunity Home will review the professional report in a timely fashion and, based on the presence of major physical problems, may disapprove the purchase of the home.
- (h) If Opportunity Home disapproves the purchase of a home, the family will be notified in writing of the reasons for the disapproval.
- (i) Opportunity Home will not conduct HQS inspections while the family is receiving homeownership assistance.

(2) **Contract of Sale**

Before commencement of monthly homeownership assistance payments:

- (a) A member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family;
- (b) The family must give Opportunity Home a copy of the contract of sale; and
- (c) The contract of sale must:
 - (i) Specify the price and other terms of sale by the seller to the purchaser;
 - (ii) Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;

- (iii) Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- (iv) Provide that the purchaser is not obligated to pay for any necessary repairs; and
- (v) Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

(3) Disapproval of a Seller

In its administrative discretion, Opportunity Home may deny approval of a seller for the same reasons Opportunity Home may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

15.6.H Financing [24 CFR 982.632]

- (1) Opportunity Home may establish requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. Opportunity Home must establish policies describing these requirements in the administrative plan.

- (a) As a check against predatory lending, Opportunity Home will review the financing of each purchase transaction, including estimated closing costs. Opportunity Home will review the loans for features, such as balloon payments, adjustable rate mortgages, and unusually high interest rates, all of which are prohibited. Opportunity Home also will not approve “seller financing” or “owner-held” mortgages. Beyond these basic criteria, Opportunity Home will rely on the lenders to determine that the loan will be affordable to program participants.
- (b) The mortgage the family applies for must require a minimum down payment of at least three percent of the sales price with one percent of the down payment coming from the purchaser’s personal funds. Opportunity Home will not require that the family have any more than the minimum of one percent of their own money in the transaction. However, in cases where a lender is requiring a larger amount, the family may be held to the underwriting guidelines set by their lending institution.
- (c) There is no prohibition against using local or State Community Development Block Grant (CDBG) or other subsidized financing in conjunction with the homeownership program.

(d) Opportunity Home will approve a family's request to utilize its Family Self-Sufficiency escrow account for down payment and/or closing costs when purchasing a unit under the HCV homeownership option.

- (1) Opportunity Home may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

15.6.I Continued Assistance Requirements; Family Obligations [24 CFR 982.633]

- (1) Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, Opportunity Home may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to Opportunity Home the homeownership assistance for the month when the family moves out.
- (2) Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.
- (3) The family must comply with the following obligations:
 - (a) The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
 - (b) The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
 - (c) A home equity loan may not be acquired without the prior written consent of Opportunity Home.
 - (d) The family must supply information to Opportunity Home or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by Opportunity Home or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
 - (e) The family must notify Opportunity Home before moving out of the home.
 - (f) The family must notify Opportunity Home if the family defaults on the mortgage used to purchase the home.
 - (g) The family must, at annual recertification, document that they are current on mortgage, insurance, and utility payments.
 - (h) No family member may have any ownership interest in any other residential property.

- (i) The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(c), (d), (e), (f), (g) and (j).

15.6.J Maximum Term of Homeowner Assistance [24 CFR 982.634]

- (1) Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:
 - (a) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
 - (b) Ten years, in all other cases.
- (2) The maximum term described above applies to any member of the family who:
 - (a) Has an ownership interest in the unit during the time that homeownership payments are made; or
 - (b) Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.
- (3) In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.
- (4) If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).
- (5) If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

15.6.K Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]

- (1) The monthly homeownership assistance payment is the lower of:
 - (a) The voucher payment standard minus the total tenant payment, or
 - (b) The monthly homeownership expenses minus the total tenant payment.

- (2) In determining the amount of the homeownership assistance payment, Opportunity Home will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the Housing Choice Voucher program.
- (3) The payment standard will be the greater of:
 - (a) The payment standard at commencement of homeownership assistance, or
 - (b) The payment standard at the most recent reexamination since commencement of homeownership assistance.
- (4) Opportunity Home may pay the homeownership assistance payments directly to the family, or at Opportunity Home's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, Opportunity Home must pay the excess directly to the family.
 - (a) Opportunity Home's housing assistance payment will be paid directly to the lender unless the mortgage company refuses to accept payments from more than one source. In such a case, Opportunity Home's housing assistance payment will be paid directly to the family.
 - (b) If the assistance payment exceeds the amount due to the lender, Opportunity Home will pay the excess directly to the family.
- (5) Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, Opportunity Home may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.
- (6) Opportunity Home must adopt policies for determining the amount of homeownership expenses to be allowed by Opportunity Home in accordance with HUD requirements.
- (7) Homeownership expenses (not including cooperatives) only include amounts allowed by Opportunity Home to cover:
 - (a) Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
 - (b) Real estate taxes and public assessments on the home;
 - (c) Home insurance;
 - (d) Opportunity Home allowance for maintenance expenses;
 - (e) Opportunity Home allowance for costs of major repairs and replacements;
 - (f) Opportunity Home utility allowance for the home;

- (g) Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if Opportunity Home determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
 - (h) Land lease payments where a family does not own fee title to the real property on which the home is located; [see 24 CFR 982.628(b)].
 - (i) For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.
- (8) Homeownership expenses for a cooperative member may only include amounts allowed by Opportunity Home to cover:
- (a) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
 - (b) Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
 - (c) Home insurance;
 - (d) Opportunity Home allowance for maintenance expenses;
 - (e) Opportunity Home allowance for costs of major repairs and replacements;
 - (f) Opportunity Home utility allowance for the home; and
 - (g) Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if Opportunity Home determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
 - (h) Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.
- (9) Opportunity Home will allow the following homeownership expenses:
- (a) **Monthly homeownership payment.** This includes principal and interest on initial mortgage debt, taxes and insurance, and any mortgage insurance premium, if applicable.

- (b) **Utility Allowance.** Opportunity Home’s utility allowance for the unit, based on the current HCV utility allowance schedule.
- (c) **Monthly maintenance allowance.** The monthly maintenance allowance will be the annual maintenance allowance, divided by 12. The annual maintenance allowance will be set at a flat rate, currently \$75.
- (d) **Monthly major repair/replacement allowance.** The monthly major repair/replacement allowance will be the annual major repair/replacement allowance divided by 12. The annual major repair/replacement allowance will be set at a flat rate, currently \$150.
- (e) **Monthly co-op/condominium assessments.** If applicable, the monthly amount of co-op or condominium association operation and maintenance assessments.
- (f) **Monthly principal and interest on debt for improvements.** Principal and interest for major home repair, replacements, or improvements, if applicable.

15.6.L Portability [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]

- (1) Subject to the restrictions on portability included in HUD regulations and Opportunity Home policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families.
- (2) The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.
- (3) The family must attend the briefing and counseling sessions required by the receiving PHA.
- (4) The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable.
- (5) The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

15.6.M Moving With Continued Assistance [24 CFR 982.637]

- (1) A family receiving homeownership assistance may move with continued tenant-based assistance.
 - (a) The family may move with voucher rental assistance or with voucher homeownership assistance.

- (b) For families participating in the homeownership option, requests to move will be approved or denied in accordance with PHA policies in Chapter 10.
 - (c) Opportunity Home will not require additional counseling of any families who move with continued assistance.
- (2) Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.
 - (3) Opportunity Home may deny permission to move to a new unit with continued voucher assistance as follows:
 - (a) Lack of funding to provide continued assistance.
 - (b) At any time, Opportunity Home may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.
 - (c) In accordance with Opportunity Home's policy regarding the number of moves within a 12-month period.
 - (4) Opportunity Home must deny the family permission to move to a new unit with continued voucher rental assistance if:
 - (a) The family defaulted on an FHA-insured mortgage; and
 - (b) The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

15.6.N Denial or Termination of Assistance [24 CFR 982.638]

- (1) At any time, Opportunity Home may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).
- (2) Opportunity Home may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633 and in accordance with its own policy, with the exception of failure to meet obligations under the Family Self-Sufficiency program as prohibited under the alternative requirements set forth in FR Notice 12/29/14.
- (3) Termination of assistance for families participating in the homeownership option will be done in accordance with the policies in Chapter 12.
- (4) Opportunity Home must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed

from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

15.6.O Mortgage Default [24 CFR 982.638(d)]

- (1) Opportunity Home must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.
- (2) Opportunity Home, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance.
- (3) Opportunity Home must not permit the family to move to a new unit with continued voucher assistance, if:
 - (a) The family defaulted on an FHA-insured mortgage; and
 - (b) The family fails to demonstrate that:
 - (i) The family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and
 - (ii) The family has moved, or will move, from the home within the period established or approved by HUD.
- (4) If the family defaults on the home mortgage loan, the participant will not be able to use the Homeownership Voucher for rental housing but may reapply for the Section 8 waiting list.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 16

PROGRAM ADMINISTRATION

Chapter 16: Program Administration

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below:

PART 1: Administrative Fees

This part describes policies concerning the allowed use of administrative fees.

PART 2: Administrative Fee Reserves

This part describes Opportunity Home's policies with regard to oversight of expenditures from its administrative fee reserve.

PART 3: Setting Program Standards and Schedules

This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

PART 4: Informal Reviews and Hearings

This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

PART 5: Representation of Family

This part describes the policies for different types of representation available to program participants and their abilities to conduct business on behalf of a family with Opportunity Home.

PART 6: Owner or Family Debts to Opportunity Home

This part describes policies for recovery of monies that Opportunity Home has overpaid on behalf of families, or to owners, and describes the circumstances under which Opportunity Home will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

PART 7: Section 8 Management Assessment Program (SEMAP)

This part describes what the SEMAP scores represent, how they are established, and how those scores affect Opportunity Home.

PART 8: Record-Keeping

All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies Opportunity Home will follow.

PART 9: Reporting and Record Keeping for Children with Elevated Blood Lead Level

This part describes Opportunity Home’s responsibilities for reporting, data collection, and record keeping relative to children with elevated blood lead levels that are less than six years of age, and are receiving HCV assistance.

PART 10: Determination of Insufficient Funding

This part describes Opportunity Home’s policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

PART 11: Violence Against Women Act (VAWA): Notification, Documentation, Confidentiality

This part contains key terms used in VAWA and describes requirements related to notifying families and owners about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.

16.1 Administrative Fees [24 CFR 982.152, and Notice PIH 2022-18]

- (1) HUD may approve administrative fees to Opportunity Home for any of the following purposes:
 - (a) Ongoing administrative fees;
 - (b) Costs to help families who experience difficulty finding or renting appropriate housing under the program;
 - (c) Preliminary fee;
 - (d) Costs to coordinate supportive services for families participating in the Family Self-Sufficiency (FSS) program.
 - (e) The following types of extraordinary costs approved by HUD:
 - (i) Costs to cover necessary expenses incurred by Opportunity Home to provide reasonable accommodation for persons with disabilities, where Opportunity Home is unable to cover additional expenses from ongoing administrative fee income or the Opportunity Home administrative fee reserve;
 - (ii) Costs of audit by an independent public accountant;
 - (iii) Other extraordinary costs determined necessary by HUD Headquarters;
 - (A) Other eligible uses of administrative fees for the HCV and Mainstream Voucher program include:
 - (1) Security deposit assistance
 - (2) Utility deposit assistance/utility arrears
 - (3) Application fees/non-refundable administrative or processing fees/refundable application deposit assistance/broker fees
 - (4) Holding fees
 - (5) Renter’s insurance
 - (6) Owner incentive payments

(a) Opportunity Home may provide incentive payments up to \$500 to owners with new contracts.

- (i) Incentive payments will be provided when a contract is executed with families in the HCV Program and Mainstream Program.
- (ii) Opportunity Home will only issue incentive payments after the HAP Contract is

executed.

(iii) Incentive payments will not be made for families moving into a different unit on the same property or those remaining in the same unit with a new HAP contract.

- (2) For each fiscal year, administrative fees are specified in the Opportunity Home budget and require HUD approval. Administrative fees may only be approved or paid from amounts appropriated by the Congress.
- (3) Opportunity Home fees may only be used to cover costs incurred to perform administrative responsibilities for the program in accordance with HUD regulations and requirements.

16.2 Administrative Fee Reserve [24 CFR 982.155]

- 16.2.A** Opportunity Home must maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD for an Opportunity Home fiscal year.
- 16.2.B** If funds in the administrative fee reserve are not needed to cover Opportunity Home’s administrative expenses, Opportunity Home may use these funds for other housing purposes permitted by Federal, State and local law.
- 16.2.C** If Opportunity Home has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct Opportunity Home to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses. HUD also may prohibit use of the funds for certain purposes.
- 16.2.D** HUD requires Opportunity Home’s Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

Expenditures will not exceed \$50,000 per occurrence without the prior approval of Opportunity Home’s Board of Commissioners.

- 16.2.E** In addition, as specified in Notice PIH 2022-18, Opportunity Home may use administrative fee funding for both administrative and “other expenses” needed to employ strategies and undertake activities beyond regular administrative responsibilities to facilitate the successful leasing and use of housing choice vouchers by families, such as through the use of security deposit assistance and landlord recruitment and incentive payments, among other allowable expenses specified in the notice. PHAs are also permitted to use UNP for these expenses [Notice PIH 2022-18].

16.3 Setting Program Standards and Schedules

16.3.A Overview

- (1) Although many of the program’s requirements are established centrally by HUD, the HCV program’s regulations recognize that some flexibility is required to allow Opportunity Home to adapt the program to local conditions.
- (2) This part discusses how Opportunity Home establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:
 - (a) *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and
 - (b) *Utility Allowances*, which specify how a family’s payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).
- (3) Copies of the payment standard and utility allowance schedules are available for review in Opportunity Home’s offices during normal business hours and on our website www.homesa.org.
- (4) Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.
- (5) Opportunity Home will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation shall be retained for three years.

16.3.B Payment Standards [24 CFR 982.503; HCV GB, Chapter 7]

- (1) The payment standard sets the maximum subsidy payment a family can receive from Opportunity Home each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD.
 - (a) FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area.
 - (b) For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.
- (2) Small Area Fair Market Rents [FR Notice 11/16/16]

- (a) In October 2017, HUD will publish Small Area FMRs for the San Antonio-Bexar County area for use in the administration of tenant-based assistance under the HCV program.
 - (b) Small Area FMR areas refer to the U.S. Postal Service ZIP code areas within the San Antonio-Bexar County area.
 - (c) Opportunity Home must revise the payment standard amount no later than three months following the effective date of the published FMR if a change is necessary to stay within the basic range -- between 90 and 110 percent of the published FMR for each unit size.
 - (d) Opportunity Home will implement local submarket payment standards for MTW Housing Choice Voucher applicants and participants through a phase-in approach.
 - (i) Phase I will establish the local submarket payment standards through two tiers. Phase I will be effective for vouchers issued October 1, 2018 or later and November recertifications.
 - (ii) Phase II will establish the local submarket payment standards through 10 tiers. Phase II will be effective for vouchers issued January 1, 2020 or later and February recertifications.
- (3) Opportunity Home must establish a payment standard schedule that establishes payment standard amounts for each FMR area within Opportunity Home's jurisdiction, and for each unit size within each of the FMR areas.
- (a) For each unit size, Opportunity Home may establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area.
 - (b) Unless HUD grants an exception, Opportunity Home is required to establish a payment standard within a "basic range" established by HUD -- between 90 and 110 percent of the published FMR for each unit size.
- (4) **Updating Payment Standards**
- (a) When HUD updates its FMRs, Opportunity Home must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)].
 - (i) Opportunity Home will review the appropriateness of the payment standards on an annual basis when the new FMRs are published.
 - (ii) Payment standards are applied based on the effective date of the re-examination and/or admission rather than the date on which Opportunity Home staff meets with the family.

- (iii) The date new payment standards become effective will be set out in the Board Resolution.
- (iv) Generally, new payment standards will be implemented 90 days from the date of the board resolution so that staff has adequate notice to use the correct payment standard and will not have to recalculate HAP calculations for files that have already been worked.
- (v) In cases where the Board elects to adopt a payment standard effective date less than 90 days from the date of the board resolution, staff will recalculate tenant rents and provide updated notifications as needed to ensure that correct payment standards are applied (based on effective date of the revised payment standards and the effective date of each family's annual re-exam)."
- (vi) In addition to ensuring the payment standards are within the "basic range," Opportunity Home will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:
 - (A) *Funding Availability.* Opportunity Home will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. Opportunity Home will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.
 - (B) *Rent Burden of Participating Families.* Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families for any given unit size are paying more than 30 percent of adjusted monthly income as the family share, Opportunity Home will consider increasing the payment standard. In evaluating rent burdens, Opportunity Home will not include families renting a larger unit than their family unit size.
 - (C) *Quality of Units Selected.* Opportunity Home will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the midrange of the market.

(D) *Changes in Rent to Owner.* Opportunity Home may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.

(b) HUD may require Opportunity Home to make further adjustments if it determines that rent burdens for assisted families in Opportunity Home's jurisdiction are unacceptably high [24 CFR 982.503(g)].

(5) **Assisted Families' Rent Burden**

Opportunity Home will review its payment standard on an annual basis and will be set within the basic range of 90 percent to 110 percent.

(6) **Exception Payment Standards [24 CFR 982.503(c), Notice PIH 2018-01, FR Notice 9/27/21]**

(a) Opportunity Home must request HUD approval to establish payment standards that are higher than the basic range.

(b) At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area.

(i) Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount.

(ii) The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

(7) **Unit-by-Unit Exceptions [24 CFR 982.503(b), 24 CFR 982.505(d), Notice PIH 2010-26]**

(a) Unit-by-unit exceptions to Opportunity Home's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect Opportunity Home's payment standard schedule.

(b) When needed as a reasonable accommodation, Opportunity Home may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size [24 CFR 982.503(b)]. Opportunity Home may request HUD approval for an exception to the payment standard for a

particular family if the required amount exceeds 120 percent of the FMR.

- (c) A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must provide documentation of the need for the exception. In order to approve an exception, or request an exception from HUD, Opportunity Home must determine that:
 - (i) There is a shortage of affordable units that would be appropriate for the family;
 - (ii) The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
 - (iii) The rent for the unit is reasonable.

(8) **"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]**

- (a) If a substantial percentage of families have difficulty finding a suitable unit, Opportunity Home may request a “success rate payment standard” that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows Opportunity Home to set its payment standards at 90-110 percent of a higher FMR (the 50th, rather than the 40th percentile FMR). To support the request, Opportunity Home must demonstrate that during the most recent 6-month period for which information is available:
 - (i) Fewer than 75 percent of families who were issued vouchers became participants;
 - (ii) Opportunity Home had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
 - (iii) Opportunity Home had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.
- (b) Although HUD approves the success rate payment standard for all unit sizes in the FMR area, Opportunity Home may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of Opportunity Home’s jurisdiction within the FMR area.

(9) **Decreases in the Payment Standard Below the Basic Range [24 CFR 982.503(d)]**

- (a) Opportunity Home must request HUD approval to establish a payment standard amount that is lower than the basic range.

- (b) At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range.
- (c) HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

16.3.C Utility Allowances [24 CFR 982.517]

- (1) An Opportunity Home-established utility allowance schedule is used in determining family share and Opportunity Home subsidy. Opportunity Home must maintain a utility allowance schedule for:
 - (a) all tenant-paid utilities,
 - (b) the cost of tenant-supplied refrigerators and ranges, and
 - (c) other tenant-paid housing services such as trash collection.
- (2) The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, Opportunity Home must use normal patterns of consumption for the community as a whole, and current utility rates.
- (3) The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.
- (4) In the utility allowance schedule, Opportunity Home must classify utilities and other housing services according to the following general categories:
 - (a) space heating;
 - (b) air conditioning;
 - (c) cooking;
 - (d) water heating;
 - (e) water;
 - (f) sewer;
 - (g) trash collection;
 - (h) other electric;
 - (i) cost of tenant-supplied refrigerator;
 - (j) cost of tenant-supplied range; and
 - (k) other specified housing services.

(5) The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the HCV Guidebook provides detailed guidance to Opportunity Home about establishing utility allowance schedules.

(6) **Air Conditioning**

(a) An allowance for air-conditioning must be provided when the majority of housing units in the market have central air-conditioning or are wired for tenant-installed air conditioners.

(b) Central air-conditioning or a portable air conditioner must be present in a unit before Opportunity Home will apply the air-conditioning allowance to a family's rent and subsidy calculations.

(7) **Reasonable Accommodation**

HCV program regulations require Opportunity Home to approve a utility allowance amount higher than shown on Opportunity Home's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, Opportunity Home will approve an allowance for air-conditioning, even if Opportunity Home has determined that an allowance for air-conditioning generally is not needed.

See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

(8) **Utility Allowance Revisions**

(a) Opportunity Home must review its schedule of utility allowances each year, and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.

(b) Opportunity Home must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

16.4 Informal Reviews and Hearings

16.4.A Overview

- (1) When Opportunity Home makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision.
 - (a) For applicants, the appeal takes the form of an informal review;
 - (b) For participants, or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal hearing.
- (2) Opportunity Home is required to include in its administrative plan, informal review procedures for applicants, and informal hearing procedures for participants [24 CFR 982.54(d)(12) and (13)].

16.4.B Informal Reviews

- (1) Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program.
- (2) Informal reviews are intended to provide a “minimum hearing requirement” [24 CFR 982.554], and need not be as elaborate as the informal hearing requirements [Federal Register 60, no. 127 (3 July 1995): 34690].
- (3) **Decisions Subject to Informal Review**
 - (a) Opportunity Home must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:
 - (i) Denying listing on Opportunity Home’s waiting list
 - (ii) Denying or withdrawing a voucher
 - (iii) Refusing to enter into a HAP contract or approve a lease
 - (iv) Refusing to process or provide assistance under portability procedures
 - (v) Denial of assistance based on an unfavorable history that may be the result of domestic violence, dating violence or stalking (see Section 3.3.G).
 - (b) Informal reviews are not required for the following reasons [24 CFR 982.554(c)]:
 - (i) Discretionary administrative determinations by Opportunity Home
 - (ii) General policy issues or class grievances

- (iii) A determination of the family unit size under Opportunity Home subsidy standards
- (iv) A Opportunity Home determination not to approve an extension or suspension of a voucher term
- (v) An Opportunity Home determination not to grant approval of the tenancy
- (vi) An Opportunity Home determination that the unit is not in compliance with the HQS
- (vii) An Opportunity Home determination that the unit is not in accordance with the HQS due to family size or composition

(c) In addition to the requirements outlined in 16.3.B(3)(a), Opportunity Home will also offer applicants an opportunity for an informal review upon denial of voucher term extension or suspension.

(4) Notice to the Applicant [24 CFR 982.554(a)]

- (a) Opportunity Home must give an applicant prompt notice of a decision denying assistance.
- (b) The notice must contain a brief statement of the reasons for Opportunity Home’s decision, and must also state that the applicant may request an informal review of the decision.
- (c) The notice must describe how to obtain the informal review.

(5) Scheduling an Informal Review

- (a) A request for an informal review must be written and submitted to Opportunity Home:
 - (i) In person, by first class mail, or by email;
 - (ii) No later than 10 business days from the date of Opportunity Home’s denial of assistance.
- (b) Opportunity Home must schedule and send written notice of the informal review within 30 business days of the family’s request.

(6) Informal Review Procedures [24 CFR 982.554(b)]

- (a) The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.
- (b) The applicant must be provided an opportunity to present written or oral objections to Opportunity Home’s decision.
- (c) The reviewer will compile the facts, written statements, and documents pertaining to the case. Facts are examined and appropriate

Opportunity Home and HUD policies are reviewed in reaching a decision.

- (d) The reviewer may defer a decision to allow applicant time to gather information.
- (e) The reviewer will make a recommendation to Opportunity Home, but Opportunity Home is responsible for making the final decision as to whether assistance should be granted or denied.

- (i) In rendering a decision, Opportunity Home will evaluate the following:
 - (A) Whether or not the grounds for denial were stated factually in the Notice.
 - (B) The validity of grounds for denial of assistance. If the grounds for denial are not specified in the regulations or Opportunity Home policies, the decision to deny assistance will be overturned.
 - (C) The validity of the evidence. Opportunity Home will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove there are grounds for denial, and HUD requires the denial, then Opportunity Home will uphold the decision to deny assistance.
 - (D) If the facts prove the grounds for denial, and the denial is discretionary, Opportunity Home will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

(7) **Informal Review Decision [24 CFR 982.554(b)]**

- (a) Opportunity Home must notify the applicant of its final decision, including a brief statement of the reasons for the final decision.

- (b) The notice will be mailed within 10 business days of the informal review, to the applicant and his or her representative, if any.
- (c) If the decision to deny is overturned as a result of the informal review, Opportunity Home will resume processing the applicant for admission.
- (d) If the family fails to appear for their informal review, the denial of admission will stand and the family will be notified within 10 business days.

16.4.C Informal Hearings for Participants [24 CFR 982.555]

- (1) Opportunity Home must offer an informal hearing for certain determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to Opportunity Home's HCV program and is currently assisted in the program.
- (2) The purpose of the informal hearing is to consider whether Opportunity Home's decisions related to the family's circumstances are in accordance with the law, HUD regulations and Opportunity Home policies.
- (3) Opportunity Home is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed.
- (4) Termination of assistance for a participant may include any or all of the following:
 - (a) Refusing to enter into a HAP contract or approve a lease
 - (b) Terminating housing assistance payments under an outstanding HAP contract
 - (c) Refusing to process or provide assistance under portability procedures
- (5) **Decisions Subject to Informal Hearing**
 - (a) Circumstances for which Opportunity Home must give a participant family an opportunity for an informal hearing are as follows:
 - (i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
 - (ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from Opportunity Home utility allowance schedule
 - (iii) A determination of the family unit size under Opportunity Home's subsidy standards
 - (iv) A determination to terminate assistance for a participant family because of the family's actions or failure to act
 - (v) A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under Opportunity Home policy and HUD rules
 - (vi) A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account [24 CFR 984.303(i)]

- (vii) A determination to deny admission based on an unfavorable program history that may be the result of domestic violence, dating violence, or stalking.
- (b) Circumstances for which an informal hearing is not required are as follows:
 - (i) Discretionary administrative determinations by Opportunity Home
 - (ii) General policy issues or class grievances
 - (iii) Establishment of Opportunity Home’s schedule of utility allowances for families in the program
 - (iv) An Opportunity Home determination not to approve an extension or suspension of a voucher term
 - (v) An Opportunity Home determination not to approve a unit or tenancy
 - (vi) An Opportunity Home determination that a unit selected by the applicant is not in compliance with the HQS
 - (vii) An Opportunity Home determination that the unit is not in accordance with HQS because of family size
 - (viii) A determination by Opportunity Home to exercise or not to exercise any right or remedy against an owner under a HAP contract

- (c) Opportunity Home will only offer participants the opportunity for an informal hearing when:
 - (i) required by regulations, or
 - (ii) Opportunity Home makes a determination to terminate a family’s housing assistance due to an expired voucher/lease.

(6) **Informal Hearing Procedures**

(a) ***Notice to the Family [24 CFR 982.555(c)]***

- (i) When Opportunity Home makes a decision that is subject to informal hearing procedures, Opportunity Home must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.
- (ii) For decisions related to the family’s annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, Opportunity Home must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

- (iii) For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to Opportunity Home's subsidy standards, the notice must contain:
 - (A) A brief statement of the reasons for the decision;
 - (B) A statement that if the family does not agree with the decision, the family may request an informal hearing on the decision; and
 - (C) A statement of the deadline for the family to request an informal hearing.

- (iv) In cases where Opportunity Home makes a decision for which an informal hearing must be offered, the notice to the family shall include all of the following:
 - (A) The proposed action or decision of Opportunity Home;
 - (B) A brief statement of the reasons for the decision including the regulatory reference;
 - (C) The date the proposed action will take place;
 - (D) A statement of the family's right to an explanation of the basis for Opportunity Home's decision;
 - (E) A statement that if the family does not agree with the decision the family may request an informal hearing of the decision;
 - (F) A deadline for the family to request the informal hearing; and
 - (G) The name of the person to whom the hearing request should be addressed.

(b) ***Scheduling an Informal Hearing [24 CFR 982.555(d)]***

- (i) When an informal hearing is required, Opportunity Home must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

- (ii) A request for an informal hearing must be made in writing and delivered to Opportunity Home either in person, by first class mail, by fax, or by email, by the close of the business day, no later than 10 business days from the date of Opportunity Home's decision or notice to terminate assistance.

- (iii) Opportunity Home may hold a pre-hearing conference with the family to attempt to resolve the matter to Opportunity Home and

family's satisfaction. If the issue is not resolved, Opportunity Home will move forward with scheduling the informal hearing.

- (iv) Opportunity Home must schedule and send written notice of the informal hearing to the family within 30 business days of the family's request.
- (v) The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities.
 - (A) "Good cause" is defined as a conflict that seriously affects the health or safety of the family. Such conflicts include hospitalization, illness or other situations that qualify, as determined by Opportunity Home.
 - (B) Opportunity Home will request documentation of the "good cause" reason prior to rescheduling.
 - (C) Requests to reschedule must be made in writing prior to the original informal hearing date and will be considered on a case-by-case basis.
- (vi) Opportunity Home has the discretion to reschedule a hearing within 48 hours prior to the hearing date for good cause.
- (vii) If the family does not appear at the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact Opportunity Home within 24 hours of the scheduled hearing date, excluding weekends and holidays. Opportunity Home will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities.
- (viii) If the family requests a reasonable accommodation in order to comply with Opportunity Home's policies or procedures, Opportunity Home will accept and process the request in accordance with sections 2.2.B, 2.2.C and 7.1.B. At the conclusion of the reasonable accommodation process, Opportunity Home shall notify the family of its decision and determine whether the family wishes to withdraw its hearing request or pursue a hearing.

(c) ***Pre-Hearing Right to Discovery [24 CFR 982.555(e)]***

- (i) Participants and Opportunity Home are permitted pre-hearing discovery rights.
- (ii) The family must be given the opportunity to examine before the hearing any Opportunity Home documents that are directly relevant to the hearing. The family must be allowed to copy any

such documents at their own expense. If Opportunity Home does not make the document available for examination on request of the family, Opportunity Home may not rely on the document at the hearing.

- (A) The family may request copies of any documents related to the hearing at a cost of \$.10 per page.
- (B) The family must request discovery of Opportunity Home documents no later than one business day prior to the scheduled hearing date.

(iii) Opportunity Home hearing procedures may provide that Opportunity Home must be given the opportunity to examine at its offices before the hearing, any family documents that are directly relevant to the hearing. Opportunity Home must be allowed to copy any such document at its own expense. If the family does not make the document available for examination on request of Opportunity Home, the family may not rely on the document at the hearing.

- (A) Opportunity Home must be given an opportunity to examine, at Opportunity Home offices before the hearing, any family documents that are directly relevant to the hearing.
- (B) Whenever a participant requests an informal hearing, Opportunity Home will automatically request a copy of all documents that the participant intends to present or utilize at the hearing.
- (C) The participant must make the documents available no later than one business day prior to the scheduled hearing date.

(iv) For the purpose of informal hearings, documents include records and regulations.

(d) ***Participant’s Right to Bring Counsel [24 CFR 982.555(e)(3)]***

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

(e) ***Informal Hearing Officer [24 CFR 982.555(e)(4)]***

Informal hearings will be conducted by a person or persons approved by Opportunity Home, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

(f) **Attendance at the Informal Hearing**

A hearing officer and the following applicable persons may attend hearings:

- (i) An Opportunity Home representative and any witnesses for Opportunity Home;
- (ii) The participant and any witnesses for the participant;
- (iii) The participant's counsel or other representative; and
- (iv) Any other person approved by Opportunity Home as a reasonable accommodation for a person with a disability.

(g) **Conduct at Hearings**

- (i) The person who conducts the hearing may regulate the conduct of the hearing in accordance with Opportunity Home's hearing procedures [24 CFR 982.555(4)(ii)].

- (ii) The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner.
- (iii) Attendees must comply with all hearing procedures established by the hearing officer and guidelines for conduct.
- (iv) Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer and the termination will stand.
- (v) The hearing officer shall:
 - (A) Announce that this is an informal hearing of Opportunity Home;
 - (B) Announce the time and date of the hearing;
 - (C) Introduce himself or herself and all parties present;
 - (D) State the intended action of Opportunity Home, the reason for the action and the purpose of the hearing;
 - (E) Explain that the hearing is informal, but that the decision of the hearing officer is binding on Opportunity Home unless the decision concerns a matter for which Opportunity Home is not required to provide an opportunity for an informal hearing, or otherwise exceeds the authority of the hearing officer, or the hearing decision is found to be contrary to HUD regulations or requirements, or otherwise contrary to Federal, State or local law;

- (F) Explain that the proceedings may be recorded to maintain a record of the testimony provided during the hearing;
 - (G) Explain the rules of conducting the hearing to the family: Opportunity Home will present its case first. The family will then be given time to ask questions, raise objections and present testimony on all relevant issues; and
 - (H) Explain that the hearing decision will be rendered after the hearing is concluded and after the hearing material and testimony have been reviewed.
- (vi) The hearing officer ensures that:
- (A) Decorum is maintained during the hearing,
 - (B) The hearing is impartial and orderly,
 - (C) The Opportunity Home representative is given adequate time to explain Opportunity Home position without interruption,
 - (D) The family receives adequate time to question and cross examine any witnesses, and
 - (E) The family receives adequate time to explain the family's position, to present documents and witnesses.
- (vii) The hearing officer conducts a full inquiry of all relevant issues and receives and makes a part of the record all evidence or testimony presented.
- (viii) If the family brings documents to the hearing, the hearing officer ensures that Opportunity Home has had an opportunity to examine the documents in accordance with 24 CFR 982.555(e), and copies are made for the Opportunity Home representative and for the file.
- (ix) The hearing officer may interrupt any representative or witness to ask clarifying questions and to verbally enter into the record dates of written documents presented and other visual information which might be appropriate to provide a clear understanding of the verbal as well as the written record. The hearing officer may pose questions to any participant in the hearing relevant to any issue which may have a bearing on the matter to be decided.

(h) **Evidence [24 CFR 982.555(e)(5)]**

- (i) Opportunity Home and the family must be given the opportunity to present evidence and question any witnesses.

- (ii) In general, all evidence is admissible at an informal hearing.
- (iii) Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

(iv) Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are five categories of evidence:

- (A) **Oral evidence:** The testimony of witnesses.
- (B) **Documentary evidence:** A writing, which is relevant to the case, i.e., a letter written to Opportunity Home. Writings shall include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.
- (C) **Demonstrative evidence:** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.
- (D) **Real evidence:** A tangible item relating directly to the case.
- (E) **Hearsay Evidence:** A statement that was made other than by a witness while testifying at the hearing and offered to prove the truth of the matter. An Opportunity Home determination must not be based only on hearsay evidence.

- (v) If either Opportunity Home or the family fail to comply with the discovery requirements described above, the hearing officer may refuse to admit such evidence.
- (vi) Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

(i) ***Hearing Officer's Decision [24 CFR 982.555(e)(6)]***

- (i) The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision.
- (ii) Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing.
- (iii) A copy of the hearing decision must be furnished promptly to the family.

- (iv) In rendering a decision, the hearing officer will consider the following matters:
 - (A) **Opportunity Home Notice to the Family:** The hearing officer will determine if the reasons for Opportunity Home’s decision are factually stated in the Notice.
 - (B) **Discovery:** The hearing officer will determine if Opportunity Home and the family were given the opportunity to examine any/all relevant documents in accordance with Opportunity Home policy.
 - (C) **Evidence to Support Opportunity Home’s Decision:** The evidence consists of the facts and materials introduced. Evidence is not a conclusion and it is not argument. The hearing officer will evaluate the evidence to determine if it supports Opportunity Home’s conclusion to include the length of time since the violation occurred, the family’s history of program violations and the likelihood of favorable conduct in the future.
 - (D) **Validity of Grounds for Termination of Assistance (when applicable):** The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and Opportunity Home policies. If the grounds for termination are not specified in the regulations or in compliance with Opportunity Home policies, then the decision of Opportunity Home will be overturned.
- (v) The hearing officer will issue a written decision to the family and Opportunity Home no later than 10 business days after the hearing. The report will contain the following information:
 - (A) **Hearing Information:**
 - (1) Name of the participant;
 - (2) Date, time and place of the hearing;
 - (3) Name of the hearing officer;
 - (4) Name of the Opportunity Home Representative; and
 - (5) Name of family representative (if applicable).
 - (B) **Background:** A brief, impartial statement of the reason for the hearing.
 - (C) **Findings of Facts:** The hearing officer will include all findings of fact and supporting evidence, based on a preponderance of the evidence. Preponderance of the

evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

- (D) **Regulations and Opportunity Home Policy:** The hearing office will also include reference to the policy and/or program rules that support the decision.
- (E) **Conclusions:** The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold Opportunity Home's decision.
- (F) **Order:** The hearing report will include a statement of whether Opportunity Home's decision is upheld or overturned. If it is overturned, the hearing officer will instruct Opportunity Home to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance or unfavorable decision, the hearing officer will instruct Opportunity Home to proceed with termination of assistance.
- (G) The family will be advised of the effective date of a reduction or termination of assistance and a right to contest a decision in court within 1 year of the decision.
- (vi) The hearing officer must not terminate or deny assistance when, during the hearing, the family or its counsel/representative is not given the opportunity to examine evidence or to question adverse witnesses, and that evidence or the statements of the witnesses were a factor in the denial, termination or reduction of aid.

(j) ***Procedures for Rehearing or Further Hearing***

- (i) The hearing officer may ask the family for additional information and/or might adjourn the hearing to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of Opportunity Home will take effect and another hearing will not be granted.

- (ii) A rehearing or a further hearing may be requested for the purpose of rectifying any obvious mistake of law made during the hearing or any obvious injustice not known at the time of the hearing.
- (iii) It shall be within the sole discretion of Opportunity Home to grant or deny the request for further hearing or rehearing. A further hearing may be limited to written submissions by the parties, in the manner specified by the hearing officer.

(k) Opportunity Home’s Notice of Final Decision [24 CFR 982.555(f)]

- (i) Opportunity Home is not bound by the decision of the hearing officer for matters in which Opportunity Home is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to Federal, State or local laws.
- (ii) If Opportunity Home determines it is not bound by the hearing officer’s decision in accordance with HUD regulations, Opportunity Home must promptly notify the family of the determination and the reason for the determination.

- (iii) Opportunity Home will mail a “Notice of Final Decision” with the hearing officer’s report to:
 - (A) The participant,
 - (B) The landlord (if the participant is currently residing in the assisted unit) and,
 - (C) The participant’s representative, if applicable.

16.4.D Hearing and Appeal Provisions for Noncitizens [24 CFR 5.514]

- (1) Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.
- (2) Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while Opportunity Home hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

- (3) A decision against a family member, issued in accordance with the USCIS appeal process or Opportunity Home informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

(4) **Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]**

The notice of denial or termination of assistance for noncitizens must advise the family:

- (a) That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
 - (b) The family may be eligible for proration of assistance.
 - (c) In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
 - (d) That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
 - (e) That the family has a right to request an informal hearing with Opportunity Home either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
 - (f) For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.
- (5) **USCIS Appeal Process [24 CFR 5.514(e)]**
- (a) When Opportunity Home receives notification that the USCIS secondary verification failed to confirm eligible immigration status, Opportunity Home must notify the family of the results of the USCIS verification.
 - (b) Opportunity Home will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.
 - (c) The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS.
 - (d) The family must provide Opportunity Home with a copy of the written request for appeal and the proof of mailing.

- (e) The family must provide Opportunity Home with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.
- (f) The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.
- (g) The USCIS will notify the family, with a copy to Opportunity Home, of its decision. When the USCIS notifies Opportunity Home of the decision, Opportunity Home must notify the family of its right to request an informal hearing.
- (h) Opportunity Home will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

(6) **Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]**

- (a) After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that Opportunity Home provide a hearing. The request for a hearing must be made either within 30 days of receipt of Opportunity Home's notice of denial, or within 30 days of receipt of the USCIS appeal decision.
- (b) The informal hearing procedures for applicant families are described below.

(c) **Informal Hearing Officer**

Opportunity Home must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

See Section 16.3.C for a listing of positions that serve as informal hearing officers.

(d) **Evidence**

- (i) The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of Opportunity Home pertaining to the family's eligibility status, or in the possession of

the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

- (A) The family will be allowed to copy any documents related to the hearing at a cost of \$.10 per page copy.
- (B) The family must request discovery of Opportunity Home documents no later than one business day prior to the hearing.

- (ii) The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- (iii) The family must also be provided the opportunity to refute evidence relied upon by Opportunity Home, and to confront and cross-examine all witnesses on whose testimony or information Opportunity Home relies.

(e) ***Representation and Interpretive Services***

- (i) The family is entitled to request an interpreter. Upon request, Opportunity Home will provide competent interpretation services, free of charge.
- (ii) The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or Opportunity Home, as may be agreed upon by the two parties.

(f) ***Recording of the Hearing***

- (i) The family is entitled to have the hearing recorded by audiotape.
- (ii) Opportunity Home may, but is not required to provide a transcript of the hearing.

- (iii) Opportunity Home will not provide a transcript of an audio taped hearing.

(g) ***Hearing Decision***

- (i) Opportunity Home must provide the family with a written final decision, based solely on the facts presented at the hearing, within 10 business days of the date of the informal hearing.
- (ii) The decision must state the basis for the decision.

(7) **Informal Hearing Procedures for Residents [24 CFR 5.514(f)]**

- (a) After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that Opportunity Home provide a hearing.
- (b) The request for a hearing must be made either within 30 days of receipt of Opportunity Home notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see Section 16.3.C.

(8) **Retention of Documents [24 CFR 5.514(h)]**

Opportunity Home must retain for a minimum of five years the following documents that may have been submitted to Opportunity Home by the family, or provided to Opportunity Home as part of the USCIS appeal or Opportunity Home informal hearing process:

- (a) The application for assistance
- (b) The form completed by the family for income reexamination
- (c) Photocopies of any original documents, including original USCIS documents
- (d) The signed verification consent form
- (e) The USCIS verification results
- (f) The request for a USCIS appeal
- (g) The final USCIS determination
- (h) The request for an informal hearing
- (i) The final informal hearing decision

16.4.E Informal Conferences

- (1) In all cases in which Opportunity Home is not required by HUD to utilize the informal review or informal hearing procedures, the informal conference procedure is used to resolve questions and disputes for owners, applicants, and participants.
- (2) The informal conference procedure is the primary means to resolve problems beyond the level of the immediate supervisor. Complaints are resolved through the following procedures:

(3) Informal Complaints by Owners

- (a) Owner complaints may originate at any level and may be resolved at any appropriate level.
- (b) Owner complaints are first brought to the attention of the staff member responsible for taking the action which resulted in the complaint. The staff member shall review the facts of the case and determine whether Opportunity Home acted in accordance with appropriate policies and procedures.
- (c) The staff member or the immediate supervisor may respond to the owner query either in writing or by phone.
- (d) Additional actions which may be taken to respond to an owner complaint are:
 - (i) In cases involving claims made by an owner under a HAP Contract, the owner may be invited by the hearing officer to participate in the informal hearing process by personally presenting the owner's case, by providing additional documentation or by providing witnesses which may be called at the hearing. [See also *Informal Hearing* section.]
 - (ii) In cases involving determinations of deficiencies at inspections, determining responsibility for correcting deficiencies, and determining whether the deficiencies are HQS deficiencies, the owner may ask to have an inspector's determinations reviewed by the Quality Control Specialist (QCS) and/or supervisor. The QCS or supervisor may re-inspect the unit to determine the nature, extent, and cause of the deficiencies.
 - (iii) In cases involving abatements of the Housing Assistance Payment, the owner may be asked to provide documentation of work done and the date of completion, documentation of the owner's efforts to repair the property or documentation of the owner's actions to pursue an unlawful detainer action against the tenant if the owner claims that the tenant prevented the owner from making repairs.
- (e) If neither the staff member who performed the action resulting in the complaint nor the immediate supervisor is able to resolve the complaint, the supervisor may refer the owner complaint to the manager who reviews the facts and determines whether the actions of subordinate staff were appropriate.
- (f) The manager may direct subordinates to correct errors or deficiencies and to reply directly to the owner or the owner's representative.

- (g) Complaints that are not satisfactorily resolved at the manager's level are referred up through the chain of command.

(4) **Informal Complaints by Applicants and Participants**

- (a) Applicants and participants are referred to the staff person responsible for making the decision, which resulted in the complaint for an initial review of the action.
- (b) If the complaint is not resolved at that level, Opportunity Home follows the supervisory chain of command.

- (c) Opportunity Home will offer an informal conference to participants who request an informal hearing for a decision that, if upheld, would not result in the termination of the family's assistance. If the participant agrees with the explanation provided in the informal conference, the participant may cancel his or her request for an informal hearing.

16.5 Representation of Family

16.5.A Overview

- (1) Generally, a family may be accompanied by a representative to assist the family in:
 - (a) The application process,
 - (b) The certification process,
 - (c) Informal conferences,
 - (d) Informal reviews,
 - (e) Informal hearings, or
 - (f) Any other meetings with Opportunity Home staff.
- (2) If a family has provided contact information for a person or organization on the Supplement to Application for Federally Assisted Housing (Form HUD-92006), Opportunity Home will contact that designated person or organization for matters specified by the completed form.
- (3) A family representative may not conduct business with Opportunity Home in the absence of the family unless the representative is an authorized designee or is representing the family on behalf of a community advocacy organization.
- (4) Representation of a family will be at the family's own expense.

16.5.B Designees

- (1) A **designee** is a person whom the family authorizes as an agent to conduct business with Opportunity Home on the family's behalf through a Power of Attorney or as a reasonable accommodation for persons with disabilities.
- (2) The family may designate one person as the family's designee unless additional designees are required as a reasonable accommodation for persons with disabilities.
- (3) **Caseworkers of Partner Agencies**
 - (a) Caseworkers of referral agencies partnered with Opportunity Home will be granted designee status without verification of a need for a reasonable accommodation.
 - (b) Referral agencies must submit authorization from the family for caseworkers to conduct business on the family's behalf.
- (4) The family will be held responsible for any family-caused errors or program

fraud caused by the family's designee.

- (5) If the designee requests an action that may affect the family's eligibility for continued assistance, Opportunity Home will verify the request with the family before approving the request.
- (6) Opportunity Home reserves the right to deny or revoke a person's status as a family designee if:
 - (a) The person commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
 - (b) The person commits drug-related criminal activity or violent criminal activity;
 - (c) The person has been permanently disapproved for participation in Opportunity Home's housing programs as an owner, property manager or agent;
 - (d) The person has been terminated from any federally-assisted housing program within the past five years;
 - (e) The person's actions cause a program violation or family-caused error that negatively impacts the family's housing assistance; or
 - (f) The person has a personal financial interest in any matter concerning the family's housing assistance.

16.5.C Advocates

- (1) An **advocate** is a representative of an established community organization which publicly supports or recommends a particular cause or policy.
 - (a) Persons who meet this definition represent families in a professional capacity as an official representative of his or her organization.
 - (b) Community advocacy organizations include, but are not limited to, the following:
 - (i) Texas RioGrande Legal Aid, Inc.
 - (ii) Fair Housing Council of Greater San Antonio
 - (iii) League of United Latin American Citizens
- (2) An advocate may conduct business on behalf of a family concerning specific matters (e.g., eligibility, rent calculation, termination, etc.).
- (3) An advocate must submit a formal written request on the organization's letterhead to obtain information regarding a family's account.
 - (a) All requests to release information must include the following:

- (i) Detailed description of the request;
 - (ii) Head of Household name;
 - (iii) Head of Household's last four of Social Security Number;
 - (iv) Head of Household's written authorization for the advocate to obtain the requested information; and
 - (v) Head of Household signature.
- (b) Opportunity Home will respond to requests from advocacy organizations within 10 business days of the date the request is received.
- (4) An advocate may not sign documents on a family's behalf.

16.6 Owner or Family Debts to Opportunity Home

16.6.A Overview

- (1) Opportunity Home is required to include in the administrative plan, policies concerning repayment by a family of amounts owed to Opportunity Home [24 CFR 982.54].
- (2) This part describes Opportunity Home's policies for recovery of monies owed to Opportunity Home by families or owners.
- (3) When an action or inaction of an owner or participant results in the overpayment of housing assistance, Opportunity Home holds the owner or participant liable to return any overpayments to Opportunity Home.
- (4) Opportunity Home will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.
- (5) When an owner or participant refuses to repay monies owed to Opportunity Home, Opportunity Home will utilize other available collection alternatives including, but not limited to, the following:
 - (a) Requests for lump sum payments,
 - (b) Civil suits,
 - (c) Payment agreements,
 - (d) Reductions in HAP to owner,
 - (e) Denial or Termination of assistance,
 - (f) Collection agencies, and
 - (g) Small claims court.

16.6.B Repayment Policy

(1) Owner Debts to Opportunity Home

- (a) Any amount due to Opportunity Home by an owner must be repaid by the owner within 30 days of Opportunity Home's determination of the debt or an approved extension.
- (b) If the owner is entitled to future HAP payments, Opportunity Home will reduce the future HAP payments by the amount owed until the debt is paid in full.
- (c) If the owner refuses to repay the debt, Opportunity Home will ban the owner from future participation in the program and pursue other modes of collection.

- (d) If Opportunity Home determines that an owner received monies from Opportunity Home as a result of program fraud committed by the owner, Opportunity Home will ban the owner from future participation, and immediately seek and obtain relief by judicial order or action, including specific performance, other injunctive relief or order for damages.

(2) Family Debts to Opportunity Home

- (a) If Opportunity Home determines that a participating family owes a debt to Opportunity Home, Opportunity Home may allow the family to enter into a repayment agreement to repay the debt.
- (b) Opportunity Home will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to Opportunity Home.
- (c) If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, Opportunity Home will terminate the assistance upon notification to the family and pursue other modes of collection.

(3) Refusal to Enter into an Agreement

- (a) If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, Opportunity Home must terminate assistance [Notice PIH 2018-18].

- (b) When a family refuses to repay monies owed to Opportunity Home, in addition to termination of program assistance, Opportunity Home may utilize other available collection alternatives including, but not limited to, the following:
 - (i) Collection Agencies,
 - (ii) Small Claims Court,
 - (iii) Civil Lawsuit, and
 - (iv) State income tax set-off program.

(4) Repayment Agreement [24 CFR 792.103]

- (a) The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to Opportunity Home in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

- (b) A Repayment Agreement is a document entered into between Opportunity Home and a family that owes a debt to Opportunity Home. It is similar to a promissory note, but contains more details regarding:
 - (i) The nature of the debt,
 - (ii) The terms of payment,
 - (iii) Any special provisions of the agreement, and
 - (iv) The remedies available to Opportunity Home upon default of the agreement.

(5) **General Repayment Agreement Guidelines for Families**

(a) ***Repayment Options***

- (i) Participants have the option to repay the retroactive rent balance as follows:
 - (A) In a lump sum payment; or
 - (B) Monthly installment; or
 - (C) A combination of 1 and 2 above. For example, a tenant may owe \$1,000, make a lump sum payment of \$300, and enter into a repayment agreement for the remaining balance of \$700.
- (ii) In addition, when a participant who owes a debt to Opportunity Home is receiving utility assistance from Opportunity Home, Opportunity Home may automatically withhold the participant's utility assistance payments (UAP) and apply the UAP amount to the participant's debt until the participant's debt is paid in full.
- (iii) Opportunity Home will accept personal checks for repayments.
 - (A) When a check is returned for insufficient funds or is written on a closed account, the check amount will be considered unpaid and a Non-Sufficient Funds (NSF) fee of \$25.00 will be charged to the family.

(b) ***No Offer of Repayment Agreement***

Opportunity Home will not offer the family a repayment agreement when the following circumstances apply:

- (i) The family has an existing repayment agreement with Opportunity Home;

- (ii) Opportunity Home determines that the family committed program fraud;
- (iii) The amount owed by the family exceeds \$3,000; or
- (iv) The amount owed by the family is less than \$100.

(c) **Payment Thresholds**

- (i) Notice PIH 2017-12 recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income. However, a family may already be paying 40 percent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2018-18 acknowledges that Opportunity Home has the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

- (ii) Opportunity Home will negotiate a reasonable monthly repayment amount with the family before the execution of the repayment agreement. Opportunity Home will not require families to make monthly repayments that, with the family’s monthly share of rent, exceed 40 percent of the family’s monthly adjusted income.

(d) **Debt Amounts and Repayment Time Periods**

Down payment amounts, monthly payment amounts, and repayment time periods will be based on the repayment agreement signed by the Head of Household and approved by Opportunity Home.

(e) **Execution of the Agreement**

- (i) All repayment agreements must be in writing, dated, and signed by both the family and the Opportunity Home [Notice PIH 2018-18].

The head of household and spouse/cohead (if applicable) must sign the repayment agreement.

(6) **Outstanding Debts (Repayment Agreement)**

- (a) Generally, all repayment agreements must be paid in full prior to the termination of assistance.
- (b) These arrears are not subject to payment forgiveness from HUD and must be reconciled prior to acceptance into any future (HUD) subsidized program.

(c) **Due Dates**

All payments are due by the close of business on the day of the month specified in the signed repayment agreement approved by Opportunity Home. If that date does not fall on a business day, the due date is the close of business on the next business day.

(d) **Late or Missed Payments**

Failure to submit a scheduled payment to Opportunity Home by the close of business on the date due will be considered a breach of the repayment agreement.

(e) **Breached Repayment Agreements**

- (i) If a family breaches the repayment agreement, Opportunity Home will send the family a default notice.
- (ii) The family must repay the remainder of the debt owed to Opportunity Home within 10 business days of the date on the default notice.
- (iii) If the family fails to repay the total amount due, Opportunity Home will terminate assistance in accordance with the policies in Chapter 12.

(7) **Collection of Housing Assistance Overpayments**

The owner/agent will not be charged for any unearned HAP for termination due to Family Obligations provided the owner did not contribute to the overpayment by failing to comply with Owner Obligations.

(8) **Debt Forgiveness**

Bad debts will be forgiven by Opportunity Home if:

- (a) The debtor is deceased or is otherwise “judgment proof.”
- (b) Opportunity Home cannot produce supporting documentation of the debt incurred.

(9) **Repayment Agreements Involving Improper Payments**

Notice PIH 2017-12 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- (a) A reference to the items in the family briefing packet that state the family’s obligation to provide true and complete information at every

reexamination and the grounds on which Opportunity Home may terminate assistance because of a family's action or failure to act

- (b) A statement clarifying that each month the family not only must pay to Opportunity Home the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- (c) A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- (d) A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

16.7 Management Assessment (SEMAP)

16.7.A Overview

- (1) The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability.
- (2) SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect Opportunity Home in several ways.
 - (a) High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
 - (b) PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
 - (c) PHAs with an overall rating of “troubled” are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated “troubled” may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
 - (d) HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

16.7.B SEMAP Certification [24 CFR 985.101]

- (1) PHAs must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year.
 - (a) The certification must be approved by a PHA Board Resolution and signed by the PHA's executive director.
 - (b) If the PHA is a unit of local government or a state, a resolution approving the certification is not required, and the certification must be executed by the Section 8 program director.
- (2) PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as “troubled” [24 CFR 985.105].
- (3) Failure by a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of “troubled.”

- (4) The PHA’s SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.
- (5) Upon receipt of the PHA’s SEMAP certification, HUD will rate the PHA’s performance under each SEMAP indicator in accordance with program requirements.
- (6) **HUD Verification Method**
 - (a) Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. Opportunity Home or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements [24 CFR 985.2].
 - (b) If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA's certification on the indicator due to the PHA's failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

16.7.C SEMAP Indicators [24 CFR 985.3 and form HUD-52648]

- (1) The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.
- (2) A PHA that expends less than \$300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor, is not be rated under SEMAP indicators 1-7.

SEMAP Indicators
<p>Indicator 1: Selection from the waiting list Maximum Score: 15</p> <ul style="list-style-type: none">• This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants from the waiting list.• Points are based on the percent of families that are selected from the waiting list in accordance with the PHA’s written policies, according to the PHA’s quality control samples.

Indicator 2: Rent Reasonableness

Maximum Score: 20

- This indicator shows whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units at the required times.
- Points are based on the percent of units for which the PHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to the PHA's quality control sample.

Indicator 3: Determination of Adjusted Income

Maximum Score: 20

- This indicator measures whether the PHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent.
- Points are based on the percent of files that are calculated and verified correctly, according to the PHA's quality control sample.

Indicator 4: Utility Allowance Schedule

Maximum Score: 5

- This indicator shows whether the PHA maintains an up-to-date utility allowance schedule.
- Points are based on whether the PHA has reviewed the utility allowance schedule and adjusted it when required, according to the PHA's certification.

Indicator 5: HQS Quality Control Inspections

Maximum Score: 5

- This indicator shows whether a PHA supervisor reinspects a sample of units under contract during Opportunity Home's fiscal year, which meets the minimum sample size requirements for quality control of HQS inspections.
- Points are based on whether the required quality control reinspections were completed, according to Opportunity Home's certification.

Indicator 6: HQS Enforcement

Maximum Score: 10

- This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension.
- Points are based on whether Opportunity Home corrects all HQS deficiencies in accordance with required time frames, according to Opportunity Home's certification.

Indicator 7: Expanding Housing Opportunities

Maximum Score: 5

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether Opportunity Home has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside Opportunity Home's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
- Points are based on whether Opportunity Home has adopted and implemented written policies in accordance with SEMAP requirements, according to Opportunity Home's certification.

Indicator 8: FMR Limit and Payment Standards

Maximum Score: 5

- This indicator shows whether Opportunity Home has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in Opportunity Home's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether Opportunity Home has appropriately adopted a payment standard schedule(s), according to Opportunity Home's certification.

Indicator 9: Annual Reexaminations

Maximum Score: 10

- This indicator shows whether Opportunity Home completes a reexamination for each participating family at least every 12 months.
- Points are based on the percent of reexaminations that are less than two months overdue, according to data from PIC.

Indicator 10: Correct Tenant Rent Calculations

Maximum Score: 5

- This indicator shows whether Opportunity Home correctly calculates the family's share of the rent to owner.
- Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.

Indicator 11: Pre-contract HQS Inspections

Maximum Score: 5

- This indicator shows whether newly leased units pass HQS inspection on or before the effective date of the assisted lease and HAP contract.
- Points are based on the percent of newly leased units that passed HQS inspection on or before the effective date of the lease and HAP contract, according to data from PIC.

Indicator 12: Annual HQS Inspections

Maximum Score: 10

- This indicator shows whether Opportunity Home inspects each unit under contract at least annually.
- Points are based on the percent of annual HQS inspections of units under contract that are more than two months overdue, according to data from PIC.

Indicator 13: Lease-up

Maximum Score: 20

- This indicator shows whether Opportunity Home enters HAP contracts for at least 98 percent of the number of Opportunity Home's baseline voucher units in the ACC for the calendar year ending on or before Opportunity Home's fiscal year, or whether Opportunity Home has expended at least 98 percent of its allocated budget authority for the same calendar year. Opportunity Home can receive 15 points if 95 to 97 percent of vouchers are leased or budget authority is utilized.

- Points are based on utilization of vouchers and HAP expenditures as reported in the voucher management system (VMS) for the most recently completed calendar year.

Indicator 14: Family Self-Sufficiency (FSS) Enrollment and Escrow Account Balances

Maximum Score: 10

- Only applies to PHAs with mandatory FSS programs.
- This indicator shows whether Opportunity Home has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances.
- Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.

Success Rate of Voucher Holders

Maximum Score: 5

- Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts.
- This indicator shows whether voucher holders were successful in leasing units with voucher assistance.
- Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.

Deconcentration Bonus Indicator

Maximum Score: 5

- Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50 percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50th percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.

16.7.D SEMAP Exemption for Moving to Work Demonstration Sites [PIH Notice 2005-33]

- (1) PHAs in the Moving to Work (MTW) demonstration must submit a SEMAP certification form and certify to their performance on all SEMAP indicators unless their MTW Agreement specifically states that they are exempt from reporting on all or selected SEMAP indicators.
- (2) Section II(G) of Opportunity Home's Amended and Restated MTW Agreement, effective June 25, 2009, states the following:
 - (a) HUD will not score the Agency under HUD's Public Housing Assessment System (PHAS) or HUD's Section Eight Management Assessment Program (SEMAP), or their successor systems, unless the Agency elects to be scored. If the Agency elects to be scored, the agency will continue to be scored for the duration of the demonstration.
- (3) Opportunity Home elects not to be scored by HUD's SEMAP rating system.
- (4) Opportunity Home will continue to use the HUD's indicators and/or some variation of HUD's indicators to measure Opportunity Home's performance in key areas of the assisted housing programs.

16.8 Record Keeping

16.8.A Overview

- (1) Opportunity Home must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit.
- (2) All records must be made available to HUD or the Comptroller General of the United States upon request.
- (3) Opportunity Home must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

16.8.B Record Retention [24 CFR 982.158; 24 CFR 908.101]

- (1) During the term of each assisted lease, and for at least three recertification years thereafter, Opportunity Home must keep:
 - (a) A copy of the executed lease;
 - (b) The HAP contract; and
 - (c) The application from the family.
- (2) In addition, Opportunity Home must keep the following records for at least three recertification years:
 - (a) Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
 - (b) An application from each ineligible family and notice that the applicant is not eligible;
 - (c) HUD-required reports;
 - (d) Unit inspection reports;
 - (e) Lead-based paint records as required by 24 CFR 35, Subpart B.
 - (f) Accounts and other records supporting PHA budget and financial statements for the program;
 - (g) Records to document the basis for Opportunity Home's determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
 - (h) Other records specified by HUD.
- (3) Opportunity Home will retain the records listed above for three recertification years.
- (4) Opportunity Home must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and

for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

- (a) Opportunity Home must maintain Enterprise Income Verification (EIV) system Income Reports in the tenant file for the duration of the tenancy but for a period not to exceed three years from the EOP date [Notice PIH 2018-18].
- (5) Notice PIH 2014-20 requires Opportunity Home to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.
- (6) Opportunity Home must keep confidential records of all emergency transfer requested by victims of domestic violence, dating violence, sexual assault, and stalking under the PHA's Emergency Transfer Plan, as well as the outcomes of such requests, and retain the records for a period of three years [24 CFR 5.2002(e)(12)].
- (7) If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents.

For specific requirements, see Section 16.3.D, Retention of Documents.

16.8.C Record Management

- (1) Opportunity Home must maintain applicant and participant files and information in accordance with the regulatory requirements described below.
- (2) All applicant and participant information will be kept in a secure location and access will be limited to authorized Opportunity Home staff.
- (3) Opportunity Home staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.
- (4) **Privacy Act Requirements [24 CFR 5.212 and Form-9886]**
 - (a) The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.
 - (b) Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form

may be used, and under what conditions HUD or Opportunity Home may release the information collected.

(5) **Upfront Income Verification (UIV) Records**

(a) Because Opportunity Home has access UIV data through HUD's Enterprise Income Verification (EIV) System, it is required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with Federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD issued document, Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data.

(b) Prior to utilizing HUD's EIV system, Opportunity Home will adopt and implement EIV security procedures required by HUD.

(c) In accordance with the Updated Enterprise Income Verification (EIV) system Training & Effective Use of the PIH EIV system to Reduce Improper Payments, released October 27, 2011, Opportunity Home is not permitted to allow third parties to view a participant's EIV information without the participant's consent.

(d) Opportunity Home will use the consent form provided in EIV to obtain the Head of Household's signature authorizing the release of EIV information, before Opportunity Home releases the family's EIV information to a third-party requester.

(6) **Criminal Records**

(a) Opportunity Home may only disclose the criminal conviction records which Opportunity Home receives from a law enforcement agency to officers or employees of Opportunity Home, or to authorized representatives of Opportunity Home who have a job-related need to have access to the information [24 CFR 5.903(e)].

(b) Opportunity Home must establish and implement a system of records management that ensures that any criminal record received by Opportunity Home from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to Opportunity Home action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

(c) Opportunity Home must establish and implement a system of records management that ensures that any sex offender registration information received by Opportunity Home from a State or local agency is maintained confidentially, not misused or improperly disseminated,

and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to Opportunity Home action without institution of a challenge or final disposition of any such litigation. This requirement does not apply to information that is public information, or is obtained by a PHA other than under 24 CFR 5.905.

(7) **Medical/Disability Records**

- (a) Opportunity Home is not permitted to inquire about the nature or extent of a person's disability. Opportunity Home may not inquire about a person's diagnosis or details of treatment for a disability or medical condition.
- (b) If Opportunity Home receives a verification document that provides such information, Opportunity Home should not place this information in the tenant file. Opportunity Home should destroy the document.

(8) **Documentation of Domestic Violence, Dating Violence, Sexual Assault or Stalking**

For requirements and Opportunity Home policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16.9.E.

16.9 Reporting Requirements for Children With Elevated Blood Lead Level

16.9.A Overview

- (1) Opportunity Home has certain responsibilities relative to children with elevated blood lead levels that are receiving HCV assistance.

The notification, verification, and hazard reduction requirements are discussed in Chapter 8.

- (2) This part deals with the reporting requirements, and data collection and record keeping responsibilities that Opportunity Home is subject to.

16.9.B Reporting Requirements [24 CFR 35.1225(e); Notice PIH 2017-13]

- (1) The owner must report the name and address of a child identified as having an elevated blood lead level to the public health department within five business days of being notified by any other medical health care professional. The owner must also notify the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes (OLHCHH) of the child's address within five business days. Opportunity Home may collaborate with the owner on the notification process, such as by agreeing with the owner to provide the required notifications on the owner's behalf.

- (a) Opportunity Home will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level.

16.9.C Data Collection and Record Keeping [24 CFR 35.1225(f)]

- (1) At least quarterly, Opportunity Home must attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than six years old with an identified elevated blood lead level.
- (2) If Opportunity Home obtains names and addresses of elevated blood lead level children from the public health department(s), Opportunity Home must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, Opportunity Home must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.
- (3) At least quarterly, Opportunity Home must also report an updated list of the addresses of units receiving assistance under the HCV program to the same

public health department(s), unless the public health department(s) states that it does not wish to receive such a report.

- (4) The public health department(s) has stated they **do not** wish to receive a report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, Opportunity Home is not providing such a report.

16.10 Determination of Insufficient Funding

16.10.A Overview

- (1) The HCV regulations allow Opportunity Home to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.314(e)(1) and 982.454]. If Opportunity Home denies a family a portability move based on insufficient funding, Opportunity Home is required to notify the local HUD office within 10 business days [24 CFR 982.354]. Insufficient funding may also impact Opportunity Home's ability to issue vouchers to families on the waiting list.
- (2) This part discusses the methodology Opportunity Home will use to determine whether or not Opportunity Home has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

16.10.B Methodology

- (1) Opportunity Home will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing Opportunity Home's annual budget authority to the annual total HAP needs on a monthly basis.
 - (a) The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, Opportunity Home will add anticipated HAP expenditures for the remainder of the calendar year.
 - (b) Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP.
 - (c) The projected number of units leased per month will take into account the average monthly turnover of participant families.
- (2) If the total annual HAP needs equal or exceed the annual budget authority, or if Opportunity Home cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, Opportunity Home will be considered to have insufficient funding.

16.10.C Opportunity Home Policy Restrictions Due to Insufficient Funding

(1) Denial of Moves

- (a) Opportunity Home may deny a family permission to move if Opportunity Home does not have sufficient funding for continued assistance [24 CFR 982.314(e)(1)].
- (b) Opportunity Home must provide written notification to the local HUD Office when they determine it is necessary to deny moves to a higher cost unit or to a higher cost area based on insufficient funding [PIH Notice 2012-42]. The notification must include the following documentation:
 - (i) A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses.
 - (ii) A statement certifying Opportunity Home has ceased issuing vouchers and will not admit families for the waiting list while the limitation on moves to a higher cost unit or to a higher cost area is in place.
 - (iii) A copy of Opportunity Home's policy stating how Opportunity Home will address families who have been denied moves.
- (c) Opportunity Home will deny all family requests for elective moves on grounds that Opportunity Home does not have sufficient funding for continued assistance, if the following circumstances apply:
 - (i) The move is initiated by the family, not the owner or Opportunity Home;
 - (ii) Opportunity Home can demonstrate that the move will result in higher subsidy costs; and
 - (iii) Opportunity Home can demonstrate, in accordance with the methodology in 16.8.B, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.
- (d) However, Opportunity Home will consider family requests to move for financial hardships, and continue to comply with VAWA and Fair Housing regulations.
- (e) Opportunity Home will deny all family requests to port out of Opportunity Home's jurisdiction, unless the receiving PHA agrees to absorb the family.

(2) Denial of Changes of Family Composition

Opportunity Home will deny a request for the addition of a new family member or other household member on grounds that Opportunity Home does not have sufficient funding for continued assistance, if the following circumstances apply:

- (a) The addition is not the result of any of the following:
 - (i) birth,
 - (ii) adoption,
 - (iii) court-awarded custody of a child, or
 - (iv) placement of a grandchild by Child Protective Services;
- (b) Opportunity Home can demonstrate that the addition will result in a violation of HQS space standards (see Section 8.1.F) or a larger voucher size for the family (see Section 5.2.B); and
- (c) Opportunity Home can demonstrate in accordance with the methodology in 16.8.B that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs caused by the addition.

(3) Encouraged Deferment of Owner-initiated Rent Increases

Opportunity Home will encourage landlords to defer requested rent increases on the grounds that Opportunity Home does not have sufficient funding to support the rent increase, if the following circumstances apply:

- (a) The rent adjustment is initiated by the owner, not Opportunity Home or HUD;
- (b) Opportunity Home can demonstrate the rent adjustment will result in higher subsidy costs; and
- (c) Opportunity Home can demonstrate, in accordance with the methodology in 16.8.B that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

(4) Termination of HAP Contracts

- (a) Opportunity Home will determine whether there is sufficient funding to pay for currently assisted families according to the methodology provided in § 16-VIII.B. If Opportunity Home determines there is a shortage of funding, prior to terminating any HAP contracts, Opportunity Home will consider the use of unspent HAP funds in its NRA account and will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost

cutting measures there is not enough funding available to provide continued assistance for current participants, Opportunity Home will terminate HAP contracts as a last resort.

- (b) Prior to terminating any HAP contracts, Opportunity Home will inform the local HUD field office and its financial analyst at the Financial Management Center (FMC). Opportunity Home will terminate the minimum number needed in order to reduce HAP costs to a level within Opportunity Home's annual budget authority.
- (c) If Opportunity Home must terminate HAP contracts due to insufficient funding, Opportunity Home will do so in accordance with the following criteria and instructions:
 - (i) Vouchers that have not been contracted yet
 - (ii) Non-elderly/non-disabled families with program longevity
 - (iii) Non-elderly/non-disabled single member families
 - (iv) Non-elderly/non-disabled families receiving the least amount of subsidy assistance
 - (v) Non-elderly/non-disabled families receiving the highest amount of subsidy assistance

16.11 Violence Against Women Act (VAWA): Notification, Documentation, and Confidentiality

16.11.A Overview

- (1) The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, and stalking who are applying for or receiving assistance under the public housing program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.
- (2) In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and Opportunity Home policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and Opportunity Home policies are located primarily in the following sections:
 - (a) 3.1.C, “Family Breakup and Remaining Member of Tenant Family”;
 - (b) 3.3.G, “Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking”;
 - (c) 10.1.A, “Allowable Moves”;
 - (d) 10.1.B, “Restrictions on Moves”;
 - (e) 12.2.E, “Terminations Related to Domestic Violence, Dating Violence, Sexual Assault, or Stalking”; and
 - (f) 12.2.F, “Termination Notice.”

16.11.B Definitions [24 CFR 5.2003, 42 USC 13925, & the McKinney-Vento Homeless Assistance Act]

As used in VAWA:

- (1) The term *actual and imminent threat* refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm.
 - (a) In determining whether an individual would pose an actual and imminent harm, 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, and the length of time before the potential harm would occur.
- (2) The term *affiliated individual* means, with respect to a person:
 - (a) A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or

- (b) Any other individual, tenant or lawful occupant living in the households of the victim of domestic violence, dating violence, sexual assault, or stalking.
- (3) The term *bifurcate* means, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy.
- (4) The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - (a) The length of the relationship
 - (b) The type of relationship
 - (c) The frequency of interaction between the persons involved in the relationship
- (5) The term *domestic violence* includes any felony or misdemeanor crimes committed under the family or domestic violence laws of the jurisdiction receiving grant funding. In the case of victim services, the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by any one of the following:
 - (a) A current or former spouse or intimate partner of the victim, or person similarly situated to a spouse of the victim;
 - (b) By a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner,
 - (i) The term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
 - (c) By a person with whom the victim shares a child in common,
 - (d) A person who commits acts against a youth or adult victim who is protected from those acts under the family or domestic violence laws of the jurisdiction.

- (6) The term *sexual assault* means any non-consensual act prohibited by Federal, tribal, or State law, including when the victim lacks capacity to consent [42 U.S.C. 13925(a)].
- (7) The term *stalking* means:
 - (a) To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.
- (8) The term VAWA Self Petitioner refers to noncitizens who claim to be victims of “battery or extreme cruelty.”
 - (a) Battery or extreme cruelty includes domestic violence, dating violence, sexual assault, and stalking.
 - (b) VAWA allows these noncitizens to self-petition for Lawful Permanent Resident (LPR) status without the cooperation of or knowledge of their abusive relative.
- (9) The term *Homeless* refers to any individual or family who:
 - (a) is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized;
 - (b) has no other safe residence; and
 - (c) lacks the resources to obtain other safe permanent housing.

16.11.C Notification [24 CFR 5.2005(a), FR Notice 11/16/16]

- (1) **Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1), FR Notice 11/16/16]**
 - (a) Opportunity Home is required to inform program applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof:
 - (i) When they are denied assistance,
 - (ii) When they are admitted into the program,
 - (iii) When they are notified of an eviction or termination of housing assistance, and
 - (iv) During the 12-month period following December 16, 2016, during the annual recertification, or, if there will be no recertification for a tenant during the first year after the rule takes effect, through other means.

- (b) Opportunity Home will provide all applicants with information about VAWA at the time they request an application for housing assistance. Opportunity Home will also include information about VAWA in all notices of denial of assistance (see section 3.3.G).
- (c) Opportunity Home will provide all participants with information about VAWA at the time of admission (see section 5.1.B), as part of the written briefing packet, at the time the family is admitted to the program, and at annual reexamination. Opportunity Home will also include information about VAWA in notices of termination of assistance, as provided in section 12.2.F.
- (d) The VAWA information provided to applicants and participants will consist of the “Notice of Occupancy Rights under the Violence Against Women Act” and a copy of form HUD-5382, “Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.”
- (e) Opportunity Home is not limited to providing VAWA information at the times specified in the above policy. If Opportunity Home decides to provide VAWA information to a participant following an incident of domestic violence, Notice PIH 2017-08 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases Opportunity Home make alternative delivery arrangements that will not put the victim at risk.

(2) **Notification to Owners and Managers**

- (a) While Opportunity Home is not required by regulation to notify owners and managers participating in the HCV program of their rights and obligations under VAWA, Opportunity Home may still choose to inform them.

16.11.D Documentation [24 CFR 5.2007]

- (1) If Opportunity Home is presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse, it may—but is not required to—request that the individual making the claim document the abuse.
- (2) Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. Opportunity Home may extend this time period at its discretion [24 CFR 5.2007(a)].
- (3) Opportunity Home may choose to provide benefits to an individual based solely on the individual’s verbal statement or other corroborating evidence.

- (4) The individual may satisfy Opportunity Home’s request by providing any one of the following four forms of documentation [24 CFR 5.2007(b)]:
 - (a) A completed and signed Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (HUD-5382,) which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim. The form may be filled out and submitted on behalf of the victim;
 - (b) At Opportunity Home’s discretion, a statement or other evidence provided by the applicant or participant, which includes either:
 - (i) A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under Opportunity Home’s program; or
 - (ii) A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant’s request for an emergency transfer;
 - (c) A federal, state, tribal, territorial, or local police report or court record, or an administrative record; or
 - (d) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.
- (5) Opportunity Home may not require third-party documentation [forms (4)(c) and (4)(d)] in addition to certification [forms (4)(a) and (4)(b)], except as specified below under “Conflicting Documentation,” nor may Opportunity Home require certification in addition to third-party.
- (6) Any request for documentation of domestic violence, dating violence, sexual assault, or stalking will:
 - (a) Specify a deadline of 14 business days following receipt of the request,
 - (b) Describe the three forms of acceptable documentation,
 - (c) Provide explicit instructions on where and to whom the documentation must be submitted, and

- (d) State the consequences for failure to submit the documentation or request an extension in writing by the deadline.
- (7) Opportunity Home may, in its discretion, extend the deadline for 10 business days. Any extension granted by Opportunity Home will be in writing.
- (8) **Conflicting Documentation [24 CFR 5.2007(e)]**
 - (a) Opportunity Home is prohibited from requiring the victim to provide third-party documentation of victim status, unless:
 - (i) More than one applicant or participant provides documentation to show they are victims of domestic violence, dating violence, sexual assault or stalking, and the information in one person's documentation conflicts with the information in another person's documentation; or
 - (ii) Submitted documentation contains information that conflicts with existing information already available to Opportunity Home.
 - (b) In the circumstance that an individual has submitted conflicting documentation, Opportunity Home may request the individual submit third-party documentation [forms (4)(c) and (4)(d) as described above].
 - (c) Individuals have 30 calendar days to return third-party verification to Opportunity Home. If Opportunity Home does not receive third-party documentation, and Opportunity Home will deny or terminate assistance as a result, Opportunity Home must hold separate hearings for the tenants [Notice PIH 2017-08].
 - (d) If the individual does not submit any third-party documentation within the required time period or submits documentation that does not meet the above criteria, Opportunity Home may, but is not required to, accept that individual's assertion of victim status for the purpose of VAWA protection.
- (9) **Failure to Provide Documentation [24 CFR 5.2007(c)]**
 - (a) In order to deny relief for protection under VAWA, Opportunity Home must provide the individual requesting relief with a written request for documentation of abuse.
 - (b) If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as Opportunity Home may allow, Opportunity Home may deny relief for protection under VAWA.

16.11.E Non-Citizen Self-Petitioner Verification

- (1) Financial assistance to ineligible noncitizens will not be denied while verifying immigration status.
- (2) Self-petitioners can indicate that they are in “satisfactory immigration status” when applying for assistance or continued assistance.
 - (a) “Satisfactory immigration status” means an immigration status which does not make the individual ineligible for financial assistance. After verifying such immigration status in the Department of Homeland Security (DHS) Systematic Alien Verification for Entitlements (SAVE) System, Opportunity Home will make a final determination as the self-petitioner’s eligibility for assistance.
- (3) In order to qualify, the noncitizen victim must have been battered or subjected to extreme cruelty by their spouse or parent who is a U.S. Citizen or Lawfully Permanent Resident (LPR).
- (4) Once Opportunity Home receives a self-petition (INS Form I-360 or I-330) or INS Form 797, Opportunity Home will not request any additional information from the VAWA self-petitioner, other than what is required using the SAVE system to complete the verification.
- (5) When Opportunity Home receives a self-petition or INS Form 797 Notice of Action, Opportunity Home will initiate verification in the SAVE system.
- (6) **Final determination from the SAVE System:**

Opportunity Home will receive one of two confirmations:

 - (a) The VAWA self-petition is verified, in which case the applicant is immediately eligible for housing and no evidence of battery or extreme cruelty shall be requested or collected; or
 - (b) The I-130 is verified, in which case the petitioner submitting a family-based visa petition must provide to the PHA any evidence of “battery or extreme cruelty.”
- (7) Housing assistance and all other VAWA protections will be granted to the self-petitioner throughout the verification process until a final determination of Lawful Permanent Resident (LPR) status is made.
- (8) If the final determination is to deny the VAWA self-petition or LPR petition, Opportunity Home must alert the petitioner and take actions to terminate voucher assistance or evict the petitioner from public housing in accordance with the existing public housing requirements.

16.11.F Emergency Transfer Plan [24 CFR 5.2005(e), FR Notice 11/16/16]

See Exhibit 16-2 for Opportunity Home’s Emergency Transfer Plan

16.11.G Confidentiality [24 CFR 5.2007(b)(4)]

- (1) All information provided to Opportunity Home regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that Opportunity Home
 - (a) May not enter the information into any shared database,
 - (b) May not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and
 - (c) May not provide the information to any other entity or individual, except to the extent that the disclosure is
 - (i) Requested or consented to by the individual in writing,
 - (ii) Required for use in an eviction proceeding, or
 - (iii) Otherwise required by applicable law.
- (2) If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, Opportunity Home will inform the victim before disclosure occurs so that safety risks can be identified and addressed.
- (3) If Opportunity Home accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault, or stalking, Opportunity Home will document acceptance of the statement or evidence in a separate file.

Exhibit 16-1: Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

1. Date the written request is received by victim: _____
2. Name of victim: _____
3. Your name (if different from victim's): _____
4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____
6. Name of the accused perpetrator (if known and can be safely disclosed): _____

7. Relationship of the accused perpetrator to the victim: _____
8. Date(s) and times(s) of incident(s) (if known): _____

10. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

Exhibit 16-2: Opportunity Home Emergency Transfer Plan

Emergency Transfers

In accordance with the Violence Against Women Act (VAWA),¹ Opportunity Home allows Housing Choice Voucher (HCV) and Public Housing (PH) program participants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant’s current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.² The ability of Opportunity Home to honor such request for participants currently receiving assistance, however, may depend upon a preliminary determination that the participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether Opportunity Home has another dwelling unit that is immediately available³ and is safe to offer the tenant for temporary or more permanent occupancy.

There are five parts to this emergency plan:

- Part 1:** [Eligibility for Emergency Transfers](#)
- Part 2:** [Emergency Transfer Request Documentation](#)
- Part 3:** [Confidentiality](#)
- Part 4:** [Emergency Transfer Timing and Availability](#)
- Part 5:** [Safety and Security of Program Participants](#)

Eligibility for Emergency Transfers

¹ Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

² Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

³ For the purposes of this emergency transfer plan, Opportunity Home defines “immediately available” as a vacant unit ready for move-in within a reasonable period of time.

CHAPTER 16: PROGRAM ADMINISTRATION

- (1) As provided in HUD's regulations at 24 CFR part 5, a program participant is eligible for an emergency transfer if one of the following applies:
 - (a) The participant is a victim of domestic violence, dating violence, sexual assault, or stalking;
 - (b) The participant reasonably believes that there is a threat of imminent harm from further violence if the participant remains within the same unit;
 - (c) If the tenant is a victim of sexual assault, the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.
- (2) A participant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.
- (3) Participants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.
- (4) Eligibility for an emergency transfer does not guarantee continued assistance under the program or a transfer to another covered housing program.
 - (a) The emergency transfer requirements do not supersede any eligibility or occupancy requirements that may apply under a covered housing program [24 CFR 5.2005(e)(13)].

Emergency Transfer Request Documentation

(1) Documentation of VAWA Status

If Opportunity Home is presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse, Opportunity Home may—but is not required to—request that the individual making the claim document the abuse [24 CFR 5.2007].

(a) Opportunity Home may not require third-party documentation in addition to certification (3a below), except as specified below under “Conflicting Documentation.”

(2) Opportunity Home may choose to provide benefits to an individual based solely on the individual’s verbal statement or other corroborating evidence.

(a) In cases where Opportunity Home decides to rely on such information, Opportunity Home will document, in a confidential manner, the individual’s verbal statement or other corroborating evidence.

(3) Requesting Documentation

If Opportunity Home chooses to request an individual to document their claim of domestic violence, dating violence, sexual assault, or stalking, Opportunity Home must make such request in writing.

(a) Any request for documentation of domestic violence, dating violence, sexual assault or stalking will:

- (i) Specify a deadline of 14 business days following receipt of the request,
- (ii) Describe the three forms of acceptable documentation, and
- (iii) Provide explicit instructions on where and to whom the documentation must be submitted.

(b) In determining whether to extend the 14-business day period, Opportunity Home will consider factors that may contribute to the victim’s inability to provide the documentation in a timely manner. These factors may include, but are not limited to the following:

- (i) Cognitive limitations,
- (ii) Disabilities,
- (iii) Limited English Proficiency,
- (iv) Absence from the unit due to hospitalization or time in an emergency shelter,
- (v) Administrative delays in obtaining police or court records,
- (vi) Danger of further violence, and
- (vii) Victim’s need to address health or safety issues.

CHAPTER 16: PROGRAM ADMINISTRATION

- (c) Opportunity Home will also grant reasonable accommodations for persons with disabilities.
 - (d) During the 14-business day period and any granted extensions, Opportunity Home may not take any adverse actions, such as eviction or termination, against the individual requesting VAWA protection (i.e., grievance hearing, informal review, or informal hearing).
- (4) The individual may satisfy this request for documentation by providing any **one** of the following documents as described under 24 CFR 5.2007(b)(i):
- (a) A completed and signed Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation (Form HUD-5382);
 - (b) At Opportunity Home's discretion, a statement or other evidence provided by the applicant or participant. The individual's statement should include either:
 - (i) A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under Opportunity Home's program; or
 - (ii) A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer;
 - (c) A record of a Federal, State, tribal, territorial or local law enforcement agency (may include a police report), court, or administrative agency; or
 - (d) A document signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, stalking, or the effects of abuse:
 - (i) Signed by the applicant or tenant; and
 - (ii) That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under the VAWA Final Rule, and that the incident meets the applicable definitions under 24 CFR 5.2003.
- (5) HCV Program Participants may submit their emergency transfer request to 820 S. Flores, San Antonio, TX 78204.

(6) Public Housing Participants may submit their emergency transfer request to the Property Manager for their property. The Property Manager will then forward the emergency transfer request to the Assistant Director for review.

(7) **Conflicting Documentation [24 CFR 5.2007(b)(1)]**

Opportunity Home is prohibited from requiring the victim to provide third-party documentation of victim status, unless:

- (a) More than one applicant or participant provides documentation to show they are victims of domestic violence, dating violence, sexual assault or stalking, and the information in one person's documentation conflicts with the information in another person's documentation; or
- (b) Submitted documentation contains information that conflicts with existing information already available to Opportunity Home.

(8) In the circumstance that an individual has submitted conflicting documentation, Opportunity Home may request the individual submit any one of the following to meet the third-party documentation request:

- (a) At Opportunity Home's discretion, a statement or other evidence provided by the applicant or participant. The individual's statement should include either:
 - (i) A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under Opportunity Home's program; or
 - (ii) A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer;
- (b) A record of a Federal, State, tribal, territorial or local law enforcement agency (may include a police report), court, or administrative agency; or
- (c) A document signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, stalking, or the effects of abuse:
 - (i) Signed by the applicant or tenant; and
 - (ii) That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or

stalking that is the ground for protection and remedies under the VAWA Final Rule, and that the incident meets the applicable definitions under 24 CFR 5.2003.

- (d) Opportunity Home must grant the individual 30 calendar days from the date of the request to provide such third-party documentation.
- (e) If the individual submits third-party documentation that meets the above criteria and supports the individual's VAWA request, Opportunity Home may not require further documentation of the individual's status as a victim of domestic violence, dating violence, sexual assault, or stalking.
- (f) However, if the individual does not submit any third-party documentation within the required time period or submits documentation that does not meet the above criteria, Opportunity Home may, but is not required to, accept that individual's assertion of victim status for the purpose of VAWA protection.

Confidentiality

- (1) All information provided to Opportunity Home regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that Opportunity Home
 - (a) May not enter the information into any shared database,
 - (b) May not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and
 - (c) May not provide the information to any other entity or individual, except to the extent that the disclosure is
 - (i) Requested or consented to by the individual in writing,
 - (ii) Required for use in an eviction proceeding, or
 - (iii) Otherwise required by applicable law.
- (2) If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, Opportunity Home will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

Emergency Transfer Timing and Availability

- (1) While Opportunity Home cannot guarantee that a transfer request will be approved or how long it will take to process a request, Opportunity Home will act as quickly as possible to move a tenant who is victim to another unit, subject to availability and safety of a unit.
- (2) The emergency transfer requirements do not supersede any eligibility or occupancy requirements that may apply under a covered housing program [24 CFR 5.2005(e)(13)]; therefore, the emergency transfer plan does not guarantee an external transfer to another covered housing program.
- (3) At the tenant's request, Opportunity Home will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

(4) **Housing Choice Voucher (HCV) Program**

In accordance with 24 CFR 982.354(c)(2)(iii), Opportunity Home's policies on restricting timing and number of moves do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health and safety of the family or family member.

- (a) When a participant submits an emergency transfer request due to reasons that fall under VAWA, the staff member will provide the participant with the *Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking* form and direct the participant to submit the form to the **VAWA Representative**.
- (b) The VAWA Representative will review the request once the certification form, or other written statement, has been completed, and determine whether the case falls under VAWA definitions.
- (c) If the case falls under VAWA definitions, the VAWA Representative will provide participant with the move appointment letter in-person.
 - (i) A move appointment letter **will not** be mailed due to safety concerns.
 - (ii) If the VAWA Representative requested additional proof of VAWA status due to conflicting documentation and the participant provides the requested documentation at a later date, the VAWA Representative will inform the participant of the move appointment date and time by phone (or in-person if the participant is submitting documentation in the lobby).

- (d) VAWA Representative will retain VAWA documentation in a special case file, and forward the regular tenant file to the Housing Assistance Specialist (HAS) who will conduct the move appointment.
 - (i) VAWA Representative will send an email to the assigned HAS and document in Elite Notes the effective lease termination date and that the appointment is “*Case-Sensitive*” and should be expedited.
- (e) The HAS will conduct the move appointment and issue voucher to participant.
- (f) If the participant requests to move outside of Opportunity Home’s jurisdiction, the portability regulations will still apply [PIH Notice 2016-09].

(5) Section 8 Moderate Rehabilitation (Mod Rehab) Program

According to PIH Notice 2017-08, the VAWA rules regarding Emergency Transfer Plans apply to Mod Rehab as a “Covered Housing Program” (24 CFR 5.2003).

- (a) If the case falls under VAWA definitions, Opportunity Home will offer the family a tenant-based voucher and follow the expedited move process detailed above for the Housing Choice Voucher Program.
- (b) For families who request to move sooner than when a tenant-based voucher will be available, Opportunity Home will offer the participant a transfer to an available Mod Rehab unit or Project-Based Voucher unit provided the participant meets any tenant screening or eligibility requirements of the property.
 - (i) Participants will not be denied admission on the basis or as a direct result that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

(6) Project-Based Voucher (PBV) Program

Unlike families receiving tenant-based assistance under the HCV program, PBV families cannot move with their project-based assistance as the assistance is tied to the unit. However, if a victim makes an emergency transfer request and has been living in the PBV unit for one year or more, Opportunity Home must give the victim priority to receive the next available opportunity for continued tenant-based rental assistance (24 CFR 983.261).

- (c) For families that have been living in the PBV unit for one year or more, Opportunity Home will offer the family a tenant-based voucher and follow the expedited move process detailed above.
- (d) For families that have been living in the PBV unit for less than one year, Opportunity Home

will place the participant on the Section 8 Tenant-Based Voucher Waitlist with a Public Housing Displacement Preference and will offer a tenant-based voucher once available.

- (i) The above preference applies to residents in “good standing” at an Opportunity Home public housing community or an Opportunity Home affiliate housing assistance program who will be displaced through no fault of their own.”
- (e) For families who request to move sooner than when a tenant-based voucher will be available, Opportunity Home will offer the participant a transfer to an available Project-Based Voucher unit provided the participant meets any tenant screening or eligibility requirements of the property.
 - (i) Participants will not be denied admission on the basis or as a direct result that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

(7) Public Housing Program

- (a) When a tenant submits an emergency transfer request due to reasons that fall under VAWA, the staff member will provide the participant with the *Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking* form and direct the participant to submit the form to their Property Manager.
- (b) The Property Manager will review the certification documentation and determine whether the case falls under VAWA definitions.
- (c) If the case falls under VAWA definitions, the Property Manager will forward the VAWA documentation to the Assistant Director to confirm certification and/or supporting documentation is properly completed and whether a threat assessment is required.
 - (i) A threat assessment would only be required in the event that Opportunity Home has received conflicting documentation.
- (d) Once the Assistant Director approves the VAWA documentation, the Assistant Director will forward the VAWA documentation to the Unified Application Center (UAC) Manager.
- (e) The UAC Manager will notify the Property Manager of the internal transfer unit offer.
 - (i) An internal transfer refers to a transfer to another unit within the same program but not within the same property.
 - (ii) Generally, Opportunity Home will not offer a transfer to a new unit within the same property for safety concerns and will take precautions in choosing the geographic

location of the new unit.

- (f) The Property Manager will then offer the internal transfer to the new unit by phone or in-person.
 - (i) A move appointment letter **will not** be mailed due to safety concerns.
 - (ii) Opportunity Home will offer vacant units of “available” status, which refers to an available unit that is ready for move-in.
 - (iii) Opportunity Home will only offer vacant units of “maintenance hold” status (an available unit that requires maintenance before move-in) as a last resort.
- (g) If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit.
 - (i) Opportunity Home will limit emergency unit transfer offers to one (1) unit offer unless the individual submits supporting documentation of “good cause” to reject the unit offer.
 - (1) “Good cause” is defined as a situation in which an individual is willing to move but is unable to do so at the time of the unit offer, or the individual demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the individual’s race, color, national origin, etc. [ACOP 5-II.D.].
- (h) If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred.
- (i) Opportunity Home may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.
 - (i) For example, a non-elderly individual will not be eligible to transfer to an elderly property.
- (j) If Opportunity Home has no safe and vacant units for which a tenant who needs an emergency is eligible, Opportunity Home will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move.

Safety and Security of Tenants

- (1) Pending processing of the transfer and the actual transfer, if it is approved and occurs, the participant is urged to take all reasonable precautions to be safe.
- (2) Participants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).
- (3) Participants can also contact Battered Women and Children's Centers through the 24-Hour Crisis Line: 210-733-8810.
- (4) Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.
- (5) Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center by phone through 1-855-4-VICTIM (84-2846), or online at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.
- (6) For questions regarding VAWA, please contact Opportunity Home Fair Housing Representative Priscila Moreno by phone: 210-477-6675, or by email: Priscila_Moreno@homesa.org.

**Exhibit 16-3: Notice of Occupancy Rights Under The Violence Against Women Act,
FORM HUD-5380**

**Opportunity Home San Antonio (Opportunity Home)
Notice of Occupancy Rights under the Violence Against Women Act**

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation. The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that Opportunity Home's Assisted Housing Programs are in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA."

Protections for Applicants

If you otherwise qualify for assistance under the Assisted Housing Programs you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Tenants

If you are receiving assistance under the Assisted Housing Programs, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied

rental assistance or occupancy rights under the Assisted Housing Programs solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

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

Removing the Abuser or Perpetrator from the Household

Opportunity Home may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

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

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

Moving to Another Unit

Upon your request, Opportunity Home may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, Opportunity Home may ask you to provide documentation that you are requesting to move because of an incidence of domestic

violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the Opportunity Home may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking. If

Opportunity Home does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, Opportunity Home may ask you for such documentation, as described in the documentation section below.

(2) You expressly request the emergency transfer. Opportunity Home may choose to require that you submit a form, or may accept another written or oral request.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

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

Opportunity Home will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

Opportunity Home emergency transfer plan provides further information on emergency transfers, and Opportunity Home must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

Opportunity Home can, but is not required to, ask you to provide documentation to “certify” that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such a request from Opportunity Home must be in writing, and Opportunity Home must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. Opportunity Home may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to Opportunity Home as documentation. It is your choice which of the following to submit if Opportunity Home asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by Opportunity Home with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

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

If you fail or refuse to provide one of these documents within the 14 business days, Opportunity Home does not have to provide you with the protections contained in this notice.

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

Confidentiality

Opportunity Home must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

Opportunity Home must not allow any individual administering assistance or other services on behalf of Opportunity Home (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

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Opportunity Home must not enter your information into any shared database or disclose your information to any other entity or individual. Opportunity Home, however, may disclose the information provided if:

- You give written permission to Opportunity Home to release the information on a time limited basis.
- Opportunity Home needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires Opportunity Home or your landlord to release the information.

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

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, Opportunity Home cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if Opportunity Home can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

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

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

Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with the Requirements of This Notice

You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with the San Antonio HUD Field Office located at Hipolito Garcia Federal Building, 615 East Houston Street, Suite 347, San Antonio, TX 78205-2001, Phone: 210-475-6806, TTY: 800- 877-8339.

For Additional Information

You may view a copy of HUD's final VAWA rule at <https://www.federalregister.gov/d/2016-25888>.

Additionally, Opportunity Home must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact Opportunity Home Fair Housing Representative Priscila Moreno by phone: 210-477-6675, or by email: Priscila_Moreno@homesa.org.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact Battered Women and Children's Centers through the 24-Hour Crisis Line: 210-733-8810.

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For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at

<https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact Rape Abuse and Incest National Network (RAINN) through the National Sexual Assault Hotline: 1-800-656-HOPE (4673).

Victims of stalking seeking help may contact the National Center for Victims of Crime at 1-855-4-VICTIM (84-2846).

Attachment: Certification Form HUD-5382



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 17

**SOCIAL SECURITY NUMBER AND
SOCIAL SECURITY BENEFIT VERIFICATION**

Chapter 17: Social Security Number and Social Security Benefit Verification [24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

This chapter explains the procedures Opportunity Home is required to use for verifying Social Security numbers (SSN), Social Security benefits of applicants, participants and household members at the time of application for rental assistance programs and during mandatory reexamination of household income. Similar guidance with respect to verification of SS and SSI benefits was issued under Notice PIH-2008-44.

This chapter also provides guidance related to the recent changes made to 24 CFR 5.216, 24 CFR 5.218, and new verification requirements at 24 CFR 5.233, in accordance with the Final Rule: *Refinement of Income and Rent Determinations in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification System-Amendments*, effective January 31, 2010, as published at 74 FR 68924, on December 29, 2009. The section applies to Housing Choice Voucher Programs, Section 8 Moderate Rehabilitation, Project Based Certificate, and Project Based Voucher Programs and Moving to Work (MTW) PHA's.

HUD uses the SSN (along with the name and date of birth) of an individual to validate their identity, obtain employment and income information via computer matching programs, and ensure duplicate assistance is not being paid. These uses allow HUD, program administrators and auditors to determine compliance with program requirements, as well, as determine the eligibility and level of assistance a family is eligible to receive. The chapter prescribes the procedures and clarifies the requirements for disclosure, documentation and verification of SSNs.

In addition this chapter describes the required procedures for verifying SS and SSI benefits of applicants, participants, and household members of HUD-assisted rental units, in order to comply with the new HUD regulation at 24 CFR 5.233, which requires PHAs to use EIV.

17.1 Disclosure

17.1.A Social Security Number Disclosure: [24 CFR 5.216]

- (1) In accordance with 24 CFR 5.216, applicants and participants (including each member of the household) are required to disclose their assigned SSN, with the exception of the following individuals:
 - (a) Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.
 - (i) A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is not eligible for housing assistance and cannot be housed.
 - (ii) A family that consists of two or more household members and at least one household member that has eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR 5.520. Opportunity Home may not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.
 - (b) Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. Opportunity Home may confirm HUD's validation of the participant's SSN by viewing the household's *Summary Report* or the *Identity Verification Report* in the EIV system.
 - (c) Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.
- (2) Disclosure of SSNs is considered information subject to the Federal Privacy Act (5 USC 552a, as amended). In accordance with 24 CFR 5.212, the collection, maintenance, use, and dissemination of SSNs, any information derived from SSNs and income information must be conducted, to the extent applicable, in compliance with that Act and all other provisions of Federal, State, and local law.
- (3) An individual who previously declared to have eligible immigration status may not change their 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.

17.1.B Penalties for Failure to Disclose and/or Provide Documentation of the Social Security Number [24 CFR 5.216]

(1) In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

(a) Applicants

- (i) Opportunity Home must deny the eligibility of an applicant to receive assistance if the applicant (including each member of the household required to disclose their SSN) does not disclose a SSN and/or provide documentation of such SSN.
- (ii) However, if the family is otherwise eligible to participate in the program, the family may maintain their position on the waiting list.
- (iii) Opportunity Home should prescribe in its policies the maximum time the family may remain on the waiting list, pending disclosure of requested information. If all household members have not disclosed their SSN within 90 days after the eligibility appointment, Opportunity Home may deny assistance.

(b) Participants

- (i) Opportunity Home must terminate assistance if any member of the household who is required to disclose a SSN does not disclose their SSN and provide the required documentation.
- (ii) However, if the family is otherwise eligible for continued assistance, Opportunity Home, at its discretion, may defer the family's termination and provide the family an opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date Opportunity Home determined the family noncompliant with the SSN disclosure and documentation requirement, if Opportunity Home determines:
 - (A) The failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside the control of the family; and
 - (B) There is a reasonable likelihood that the family will be able to disclose the SSN and provide such documentation of the SSN by the deadline.
- (iii) If the family is unable to comply with the requirements by the specified deadline, Opportunity Home must terminate the assistance of the entire family.

17.2 Documentation

17.2.A Social Security Number Documentation: [24 CFR 5.216]

- (1) Opportunity Home must request the applicant and participant (including each member of the household), who are not exempt (reference Section 17.I.A), to provide documentation of each disclosed SSN. Acceptable evidence of the SSN consists of:
 - (a) An original SSN card issued by SSA;
 - (b) An original SSA-issued document, which contains the name and SSN of the individual; or
 - (c) An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual
- (2) All applicants and participants, including each member of the household (with the exception of those individuals noted in Section 17.I.A) are required to disclose their assigned SSN.

17.2.B Rejection of Social Security Number Documentation: [24 CFR 5.216]

- (1) Opportunity Home may reject documentation of the SSN provided by the applicant or participant for only the following reasons:
 - (a) The document is not an original document; or
 - (b) The original document has been altered, mutilated, or not legible; or
 - (c) The document appears to be a forged document (i.e. does not appear to be authentic).
- (2) Opportunity Home should explain to the applicant or participant the reason(s) the document is not acceptable and request the individual to obtain acceptable documentation of the SSN and submit it to Opportunity Home within a specified time frame.

17.3 Verification

17.3.A Verification of the Social Security Number: [24 CFR 5.216]

- (1) Opportunity Home shall verify each disclosed SSN by:
 - (a) Obtaining the documentation (reference Section 17-II.A) from applicants and participants (including each member of the household);
 - (b) Making a copy of the original documentation submitted, returning it to the individual, and retaining the copy in the file folder; and
 - (c) Recording the SSN on line 3n of the form HUD-50058, and transmitting the form HUD-50058 to HUD within a timely manner. Opportunity Home is encouraged to transmit the form HUD-50058 within 30 calendar days of completing the form, to enable HUD to initiate its computer matching efforts. *Note: not applicable to applicants.*
- (2) HUD, via its computer matching program with the SSA, will validate the SSN (along with the individual's name and date of birth) against the SSA's database. EIV will report the status of the identity verification process as Verified, Failed, Not Verified, or Deceased on the household *Summary Report*.
- (3) **Summary of Action for SSN Identity Verification**
 - (a) Verified. If the information matches the SSA database, the individual's identity verification status will be Verified. No action is required by Opportunity Home.
 - (b) Failed. If the information does not match the SSA database, the identity verification status will be Failed
 - (c) Not Verified. If an individual's identity verification status is Not Verified, this means that HUD has not yet sent the tenant's personal identifiers to SSA for validation. No action is required by Opportunity Home.
 - (d) Deceased. If an individual's identity verification status is Deceased, this means that SSA's records indicate the person is deceased. Opportunity Home should confirm the death with the family's head of household or listed emergency contact person. If the individual is deceased and the only household member (single member household), Opportunity Home should complete an End of Participation (EOP) action on form HUD-50058, and discontinue assistance and/or tenancy. If there are remaining household members, update the family composition accordingly, complete an Interim Reexamination action on form HUD-50058, and take any other action in accordance with HUD guidance and Opportunity Home-established policies.
- (4) Opportunity Home is required to retain the EIV *Summary Report* or *Income Report* in each family file as confirmation of compliance with the SSN disclosure, documentation and verification requirements.

17.3.B Individuals Without an Assigned Social Security Number: [24 CFR 5.216]

- (1) Citizens and lawfully present noncitizens who state that they have not been assigned a SSN by the SSA, should make such declaration in writing and under penalties of perjury to Opportunity Home. Opportunity Home should maintain the declaration in the tenant file.
- (2) Opportunity Home will use the Alternate Identification (ALTD ID) generator within the Public and Indian Housing information Center (PIC) to generate a unique identifier for those individuals who do not have or are unable to disclose a SSN. Contact the PIC Coach in your local HUD office if you need assistance with PIC.
- (3) Once an individual discloses a SSN, Opportunity Home will delete the ALT ID, enter the SSN on line 3n of the form HUD-50058, and transmit the form HUD-50058 to HUD within a timely manner.
- (4) An individual who has never been issued a SSN card or has lost their SSN card, may complete form SS-5-Application for a Social Security Card to request an original or replacement SSN card, or change information on their SSA record. This form is available online at www.socialsecurity.gov, or can be obtained at the local SSA office.
- (5) **Non-inclusive list of individuals without an assigned Social Security Number**
 - (a) Newborn children (these individuals will be issued a SSN upon SSA confirmation of birth)
 - (b) Noncitizens lawfully present in the U.S. (these individuals will be issued a SSN upon SSA confirmation of the individual's DHS documentation or confirmation that the individual is required by law to provide a Social Security number to receive general assistance benefits that they already have qualified for)
 - (c) Noncitizens unlawfully present in the U.S. (these individuals cannot be assigned a SSN)

17.3.C Addition of a New Household Member [24 CFR 5.216]

- (1) When a participant requests to add a new household member to the family, the participant must disclose the assigned SSN and provide Opportunity Home with the documentation (referenced in section 17.2.A) at the time of such request, or at the time of processing the interim or annual reexamination of family income and/or composition. If the family is unable to provide the required documentation of the SSN, Opportunity Home may not add the new household member until the family provides such documentation.

- (2) When a participant requests to add a new household member, who is under the age of six and does not have an assigned SSN, the participant must disclose the assigned SSN and provide Opportunity Home with the documentation (referenced in Section 17.2.A) within 90 calendar days of the child being added to the household.
 - (a) If a child under age six has been added to an applicant family within six months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP contract.
- (3) If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, Opportunity Home is required to grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement, if Opportunity Home determines the family was unable to comply with the requirements due to circumstances that could not have reasonably been foreseen and were outside the control of the family. Examples include but are not limited to: delayed processing of SSN application by SSA, natural disaster, fire, death in family, etc.
- (4) The child is to be included as part of the assisted household and entitled to all the benefits of being a household member during the allotted time for the family to comply with the SSN disclosure and documentation requirements. Opportunity Home will generate an Alternate ID (referenced in Section 17.III.B). Upon expiration of the provided time period, if the family has not complied with the SSN disclosure and documentation requirements, Opportunity Home must terminate the assistance of the entire family.

17.3.D Third Party Verification Requirement: [24 CFR 5.216]

- (1) Opportunity Home is required to comply with admission and occupancy requirements for Public Housing under 24 CFR §960.259(c)(1) and Section 8 under 24 CFR §982.516(a)(2), which requires Opportunity Home to obtain and document in the family/tenant file third party verification of the following factors, or document in the file why third party verification was not available:
 - (a) Reported family annual income;
 - (b) The value of assets;
 - (c) Expenses related to deductions from annual income; and
 - (d) Other factors that affect the determination of adjusted income or income-based rent.
- (2) It is Opportunity Home's position that an SSA benefit verification letter (dated within the last 60 days of Opportunity Home's request date for information or within the Opportunity Home-tenant interview date) provided by the family or an EIV *Income Report* which displays the current social security benefit

amount is third party verification. No additional verification is required by Opportunity Home. Opportunity Home should not submit requests to SSA to verify that a family is not receiving social security benefits.

17.3.E Third Party Verification Requirement of SS/SSI Benefits of Applicants and Household Members [24 CFR 5.216]

- (1) EIV does not contain SS and SSI benefit information of applicants for HUD's rental assistance programs. Opportunity Home should ask applicants to provide a copy of their SS and/or SSI benefit letter, dated within the last 90 calendar days, for each household member that receives SS and/or SSI benefits.
- (2) To verify the SS/SSI benefits of applicants, Opportunity Home will request a current SSA benefit verification letter dated within the last 90 days from each family member that receives social security benefits.
- (3) If the family is unable to provide the document(s), Opportunity Home 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. Opportunity Home will not send applicants to SSA offices if they do not have this information. Once the applicant has received the benefit verification letter they will be required to provide it to Opportunity Home.
- (4) Opportunity Home will use the listed gross benefit amount to calculate annual income from social security benefits.

17.3.F Third Party Verification Requirement of SS/SSI Benefits of Participants and Household Members: [24 CFR 5.216]

- (1) SS/SSI benefit information for participants and household members, who have validated personal identifiers (the individual's identity verification status in EIV is verified), is available from HUD's online EIV system, which can be accessed by authorized Opportunity Home staff at https://hudapps.hud.gov/HUD_Systems.
 - (a) Opportunity Home is required to use EIV to verify SS/SSI benefits of current participants and household members.
 - (b) Opportunity Home is required to print the EIV Income Report and confirm with the tenant that the current listed benefit amount is correct. If the tenant agrees with the current EIV-reported amount, Opportunity Home will use the gross benefit amount to calculate annual income from social security benefits.
 - (c) If the tenant disputes the EIV-reported benefit amount, Opportunity Home is required to request the tenant to provide a current (dated within the last 60 calendar days) SSA benefit letter. If the tenant is unable to

provide the requested document, Opportunity Home should follow the instructions under *Third Party Verification of SS/SSI Benefits of Applicants and Household Members*.

- (d) If benefit information is not available in the EIV system, Opportunity Home should follow the instructions under *Third Party Verification of SS/SSI Benefits of Applicants and Household Members* (section 17.3.E).
- (e) Photocopies of social security checks or bank statements are not acceptable forms of verification for SS/SSI benefits because the dollar amount listed may not be the gross benefit amount.

- (2) To verify the SS/SSI benefits of participants, Opportunity Home will obtain information about social security/SSI benefits through the HUD EIV System.
- (3) If benefit information is not available in HUD systems, Opportunity Home will request a current SSA benefit verification letter dated within the last 180 days from each family member that receives social security benefits.

17.3.G Treatment of SSA Overpayment Deductions From Social Security Benefits: [24 CFR 5.216]

- (1) An overpayment occurs when SSA pays an individual more than they should have been paid. If this happens, SSA will notify the individual and their designated representative payee, if applicable. Recovery of an overpayment is made by withholding the monthly Social Security check until the overpayment is paid in full (individuals receiving SS benefits), unless the individual requests a lesser withholding amount and SSA approves the request. Full withholding would start 30 days after SSA notification of the overpayment. SSA begins deducting money (for overpayment recovery) from SSI payments at least 60 days after SSA notification of the overpayment. Generally, SSA will withhold 10 percent of the maximum federal SSI benefit rate each month. However, an individual may request that less be taken from their benefit, or an individual may ask to pay back the overpayment at a rate greater than 10 percent.
- (2) Regardless of the amount withheld to repay SSA the overpayment amount, or the length of the anticipated withholding period, Opportunity Home must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount. Opportunity Home should be cognizant of the SSA-determined overpayment amount and length of time the reduced payment will occur, to ensure the family's accurate rent contribution for the duration of reduced income; however circumstances may arise affecting the end date of the withholding period, causing it to go on longer than anticipated. See Section 17.3.F and Exhibit 17-1 for examples.

17.3.H Ensuring the Availability of Social Security Benefit Information in the EIV System: [24 CFR 5.216]

In accordance with 24 CFR 5.233(a)(2)(ii), Opportunity Home is required to use EIV to reduce administrative and subsidy payment errors. As such, Opportunity Home is required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV. This report contains two reports (*Failed SSA Screening Report and Failed EIV Pre-screening Report*), which can help Opportunity Home improve the availability of income information and assist Opportunity Home in identifying tenant personal identifiers that require correction. Below is a summary of how these reports can be beneficial to Opportunity Home.

- (1) **Failed SSA Screening Report:** informs Opportunity Home of any tenant whose identity cannot be confirmed by the SSA due to incorrect personal identifiers (date of birth, surname, and/or SSN) recorded in section 3 of the form HUD-50058. Opportunity Home staff should review this report on a monthly basis, obtain appropriate documentation from the tenant, update section 3 of the form HUD-50058, accordingly, and transmit a revised form HUD-50058 into PIC.
- (2) **Failed EIV Pre-screening Report:** informs Opportunity Home of any tenant who has failed HUD's EIV pre-screening process due to incorrect personal identifiers (date of birth, surname, and/or SSN) or invalid form HUD-50058 transmitted (e.g. effective date of action is more than 15 months ago). Staff should review this report on a monthly basis, obtain appropriate documentation from the tenant, update section 3 of the form HUD-50058, accordingly, and transmit a revised form HUD-50058 into PIC.

See Exhibit 17-2 for a summary of EIV failed verification error descriptions, explanations, and corrective actions Opportunity Home should take in order to ensure the availability of social security benefit information in EIV and incorrect tenant personal identifiers are promptly corrected.

Exhibit 17-1: Excerpt From HUD Verification of Social Security Numbers (SSNS), Social Security (SS), and Supplemental Security Income (SSI) Benefits Notice (PIH 2010-03, pp. 12)

Example 1: Bob's gross monthly SSI benefit is \$500 (or \$6,000 annually). On February 1, 2010, Bob brings in a letter showing that SSA has determined that he has been overpaid by \$100, and will begin deducting 10 percent (\$50) from his monthly check on March 1, 2010. Note that this deduction would occur for **only two months** (March and April). Opportunity Home would calculate annual income at \$5,400 ($\$500 - \$50 = \450×12) and Bob's rent contribution should be changed for two months; however once the deduction ends (May 2010), annual income should be recalculated again, and the full SSI benefit should again be used to calculate annual income.

Example 2: Sue's gross monthly SSI benefit is \$500 (or \$6,000 annually). On February 1, 2010, Sue brings in a letter showing that SSA has determined that she has been overpaid by \$2,000, and will begin deducting 10 percent (\$50) from her monthly check on March 1, 2010. Note that this deduction would occur for 40 months. Opportunity Home would calculate annual income at \$5,400 ($\$500 - \$50 = \450×12) and Sue's rent contribution should be changed and effective until the next reexamination of income, at which time a new redetermination would be made based on current information and documentation.

**Exhibit 17-2: Excerpt From HUD Verification of Social Security Numbers (SSNS), Social Security (SS), and Supplemental Security Income (SSI) Benefits
[PIH 2010-03, pp. 13-17]**

Failed Verification Report Error Messages			
	Error Message Description	Explanation	Corrective Action
1	No benefits reported by SSA MM/DD/YYYY	No benefits reported by SSA. The date of birth recorded on line 3e of the form HUD-50058 is not the same DOB reflected in SSA's records.	Update line 3e of form HUD-50058 with the SSA-provided DOB.
2	SSN is verified; individual is deceased or SSN is verified; individual is deceased MM/DD/YYYY	The tenant's SSN has been verified by SSA and the individual is deceased. If a date follows the error message, this is the date of death as reflected in SSA records.	Contact tenant's adult family member or next of kin to confirm death. Upon confirmation of death, update family composition accordingly. If a single member deceased household, take appropriate action in accordance with program requirements and Opportunity Home-established policies, including termination of HAP contract (Section 8 only) and transmit an End of Participation (EOP) (action type) form HUD-50058. If applicable, recover HAP overpayment from landlord.
3	3 - Surname matched, but DOB did not match NUMIDENT	The date of birth recorded on line 3e of the form HUD-50058 is not the same DOB reflected in SSA's records.	Ask the tenant to provide documentation (birth certificate or state issued identification card) of their DOB.

			Update line 3e of form HUD-50058 with the correct DOB.
4	<p>Verification failed - Date of birth matched, but surname did not match with SSA records</p> <p>or</p> <p>5 - Surname does not match; DOB was checked</p>	The surname recorded on line 3b of the form HUD-50058 is not the same surname reflected in SSA's records.	<p>Ask the tenant to provide documentation (SSN card, birth certificate, state issued identification card, marriage license or court documents) of the other name he/she is using.</p> <p>Update line 3b of form HUD-50058 with the correct surname.</p>
5	Verification failed - SS/SSI benefits cannot be disclosed due to discrepancy in date of birth MM/DD/YYYY	The tenant is receiving SS/SSI benefits; however, SSA can not disclose the benefit amount because the date of birth recorded on line 3e of the form HUD-50058 is incorrect. However, the DOB reflected in SSA records is listed at the end of the error message.	<p>Request the tenant to provide a current SS/SSI benefit letter.</p> <p>Update line 3e of form HUD-50058 with the SSA-provided DOB.</p>
6	Verification failed - SS/ SSI benefits cannot be disclosed due to discrepancy in name	The tenant is receiving SS/SSI benefits; however, SSA can not disclose the benefit amount because the surname recorded on line 3b of the form HUD-50058 is not the same surname reflected in SSA records.	<p>Request the tenant to provide a current SS/SSI benefit letter.</p> <p>Ask the tenant to provide documentation (SSN card, birth certificate, state issued identification card, marriage license or court documents) of the other name he/she is using.</p> <p>Update line 3b of form HUD-50058 with the correct surname.</p>
7	<p>Verification failed - SSN not found in SSA records</p> <p>or</p> <p>1 - SSN is not in file</p> <p>or</p>	The tenant's SSN recorded on line 3n of the form HUD-50058 is not a valid number issued by SSA or listed in SSA records.	<p>Request original SSN card from tenant.</p> <p>Confirm SSN displayed on the card matches the SSN reported on line 3n of form HUD-50058.</p>

	* The input SSN was not verified		If the numbers do not match, make the necessary correction on line 3n of form HUD-50058. For continued SSN failures, notify HUD OIG or other law enforcement agency.
8	Verification failed - SSN not found in SSA records XXXXXXXXXX	The tenant SSN recorded on line 3n of the form HUD-50058 is not a valid number issued by SSA. However, the SSN reflected in SSA records is listed at the end of the error message.	Update line 3n of form HUD-50058 with the SSA-provided SSN.
9	Verification failed - Surname matched, but date of birth did not match with SSA records MM/DD/YYYY	The date of birth recorded on line 3e of the form HUD-50058 is incorrect. However, the DOB reflected in SSA records is listed at the end of the error message.	Update line 3e of form HUD-50058 with the SSA-provided DOB.

Note: If the SSA’s records are wrong, only the tenant can request SSA to correct their record, by completing and submitting form SS-5 *Application for a Social Security Card* to the local SSA office.

Failed EIV Pre-screening Report Error Messages			
	Error Message Description	Explanation	Corrective Action
1	Failed DOB check.	The date of birth is blank or null.	Enter DOB on line 3e of the form HUD-50058. Ensure only numbers are recorded.
2	Failed last name check.	The last name is blank or null.	Enter last name on line 3b of the form HUD-50058. Ensure only alpha characters are recorded.
3	Failed SSN check.	The SSN is not numeric or all 9s or LIKE {000%} or LIKE {__00%} or LIKE {%0000}.	Enter valid SSN on line 3n of the form HUD-50058. Do not use repetitive numbers, as directed in the current Form HUD-50058 Instruction Booklet, if tenant has not

			<p>disclosed a SSN. An alternate ID should be generated for all household members without an SSN (using the alternate ID Generator Module in PIC).</p> <p>Note: This error message will occur for any individual with a PIC generated ALT ID. If individual is a U.S. Citizen/National or eligible noncitizen, Opportunity Home should follow up with the family to obtain documentation of the SSN. If the individual does not contend to have eligible immigration status (and coded as ineligible noncitizen on the form HUD-50058), no further action is required by Opportunity Home.</p>
4	Failed effective date check.	The effective date of action is more than 15 months old.	Enter a current effective date on line 2b of the form HUD-50058.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 18

PROJECT-BASED VOUCHERS

Chapter 18: Project-Based Vouchers

This chapter describes HUD regulations and PHA policies related to the project-based voucher (PBV) program in nine parts:

PART 1: General Requirements

This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

PART 2: PBV Owner Proposals

This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors Opportunity Home will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

PART 3: Dwelling Units

This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

PART 4: Rehabilitated and Newly Constructed Units

This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

PART 5: Housing Assistance Payments Contract

This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at Opportunity Home's discretion.

PART 6: Selection of PBV Program Participants

This part describes the requirements and policies governing how Opportunity Home and the owner will select a family to receive PBV assistance.

PART 7: Occupancy

This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

PART 8: Determining Rent to Owner

This part describes how the initial rent to owner is determined, and how rent will be redetermined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

PART 9: Payments to Owner

This part describes the types of payments owners may receive under this program.

18.1 General Requirements

18.1.A Overview [24 CFR 983.5; FR Notice 1/18/17; Notice PIH 2017-21]

- (1) The project-based voucher (PBV) law is Section 8(o)(13) of the United States Housing Act of 1937. The PBV regulations are 24 CFR Part 983. Provisions of the regulations may have been superseded by more recent amendments to the law, including the Housing and Economic Recovery Act of 2008 (P.L. 110-289; HERA). In the event of any conflict between the law and the regulations, the law governs. In the event of any conflict between the regulations and this Section 8 Administrative Plan, the regulations govern. There also may be PBV-related matters not addressed by this Section 8 Administrative Plan that are addressed by the law or regulations.
- (2) The PBV program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its authorized units and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6].
- (3) Opportunity Home will operate a project-based voucher program using up to 20 percent of its authorized units for project-based assistance.
- (4) PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52].
 - (a) If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, Opportunity Home is not required to reduce the number of these units if the amount of budget authority is subsequently reduced.
 - (b) Opportunity Home is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].
- (5) **Additional Project-Based Units [FR Notice 1/18/17; Notice PIH 2017-21]**
 Opportunity Home may project-base an additional 10 percent of its units above the 20 percent program limit. The units may be distributed among one, all, or a combination of the categories as long as the total number of units does not exceed the 10 percent cap. Units qualify under this exception if the units:
 - (a) Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 583.3.

- (b) Are specifically made available to house families that are comprised of or include a veteran.
 - (i) Veteran means an individual who has served in the United States Armed Forces.
 - (ii) Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
 - (iii) Are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year Estimates.
- (6) **Units Not Subject to the PBV Program Limitation [FR Notice 1/18/17]**
 - (a) PBV units under the RAD program and HUD-VASH PBV set-aside vouchers do not count toward the 20 percent limitation when PBV assistance is attached to them.
 - (b) In addition, units that were previously subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HUD are not subject to the cap. The unit must be covered under a PBV HAP contract that first became effective on or after 4/18/17.
- (7) Opportunity Home is a participating PHA in the Moving to Work demonstration program (MTW). Opportunity Home may be authorized by HUD under MTW to undertake activities that are not authorized by or are inconsistent with this Administrative Plan. In the event of a conflict between any such MTW-related authorizations for activities and this Administrative Plan, the MTW-related authorizations govern.

18.1.B Tenant-Based Vs. Project-Based Voucher Assistance [24 CFR 983.2]

- (1) Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the PHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.
- (2) Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

18.1.C Relocation Requirements [24 CFR 983.7]

- (1) Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24, to the extent those requirements are applicable.
- (2) The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. Opportunity Home may not use voucher program funds to cover relocation costs, except that Opportunity Home may use its administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.
- (3) The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of Opportunity Home to ensure the owner complies with these requirements.

18.1.D Equal Opportunity Requirements [24 CFR 983.8]

- (1) Opportunity Home must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a).

18.2 PBV Owner Proposals

18.2.A Overview

- (1) With certain exceptions, Opportunity Home must describe the procedures for owner submission of PBV proposals and for Opportunity Home selection of PBV proposals [24 CFR 983.51].
- (2) Before selecting a PBV proposal, Opportunity Home must determine that the PBV proposal complies with HUD program regulations and requirements, including
 - (a) A determination that the property is eligible housing [24 CFR 983.53 and 983.54],
 - (b) Complies with the cap on the number of PBV units per building [24 CFR 983.56], and
 - (c) Meets the site selection standards [24 CFR 983.57].
- (3) Opportunity Home may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

18.2.B Owner Proposal Selection Procedures [24 CFR 983.51]

- (1) Opportunity Home must select PBV proposals in accordance with the selection procedures in the PHA administrative plan. Opportunity Home must select PBV proposals by either of the following two methods.
 - (a) **Opportunity Home request for PBV Proposals**
 - (i) Opportunity Home may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the Opportunity Home request.
 - (ii) Opportunity Home may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
 - (b) **Opportunity Home may select proposals that were previously selected based on a competition**

This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements

within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

(2) **Units Selected Non-Competitively [FR Notice 1/18/17; Notice PIH 2017-21]**

For certain public housing projects where Opportunity Home has an ownership interest or control and will spend a minimum amount per unit on rehabilitation or construction, Opportunity Home may select a project without following one of the two processes above.

(3) **Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]**

- (a) Opportunity Home procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by Opportunity Home.
- (b) The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.
- (c) The public notice of Opportunity Home's request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

(d) ***Opportunity Home Request for Proposals for Rehabilitated and Newly Constructed Units***

- (i) Opportunity Home will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the area newspapers, Opportunity Home's website, and www.economicengine.com.
- (ii) In addition, Opportunity Home will post the RFP and proposal submission and rating and ranking procedures on its electronic website.
- (iii) Opportunity Home will publish its advertisement in the newspapers and websites mentioned above. The advertisement will specify the number of units Opportunity Home estimates that it will be able to assist under the funding Opportunity Home is making available. Proposals will be due to Opportunity Home's office by close of business 30 calendar days from the date of the last publication. Opportunity Home may establish alternative timetables that provide for adequate public notification of the RFP and time for responses by interested owners.

- (iv) In order for the proposal to be considered, the owner must submit the proposal to Opportunity Home by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.
- (v) Opportunity Home will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:
 - (A) Owner experience and capability to build or rehabilitate housing as identified in the RFP;
 - (B) Extent to which the project furthers Opportunity Home's goal of deconcentrating poverty and expanding housing and economic opportunities;
 - (C) If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
 - (D) Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, Opportunity Home will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score.
- (e) ***Opportunity Home Requests for Proposals for Existing Housing Units***
 - (i) Opportunity Home will advertise its request for proposals (RFP) for existing housing in local newspapers, Opportunity Home's website, and www.economicengine.com.
 - (ii) In addition, Opportunity Home will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic website.
 - (iii) Opportunity Home will periodically publish its advertisement in the newspapers websites mentioned above. The advertisement will specify the number of units Opportunity Home estimates that it will be able to assist under the funding Opportunity Home is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- (A) Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
 - (B) Extent to which the project furthers Opportunity Home's goal of deconcentrating poverty and expanding housing and economic opportunities;
 - (C) If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
 - (D) Extent to which units are occupied by families that are eligible to participate in the PBV program.
- (iv) Alternatively, Opportunity Home may accept proposals until a deadline date, and may rate and rank proposals received by the deadline date using the criteria listed above and/or other relevant criteria. Whether Opportunity Home is accepting proposals on a first-come, first-served basis or by a deadline date, Opportunity Home may modify, add to, delete or replace the criteria listed above with relevant criteria, such as the owner's willingness to accept PBV contract extensions if offered, demonstrated commitment to providing low-income housing and /or experience in the management of low-income housing.
- (f) ***Opportunity Home Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program***
- (i) Opportunity Home will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis. The selection under the other program must have occurred within three years of the PBV proposal selection date.
 - (ii) Opportunity Home may periodically advertise that it is accepting proposals in area newspapers and websites.
 - (iii) In addition to, or in place of advertising, Opportunity Home may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.
 - (iv) Proposals will be reviewed on a first-come first-served basis. Opportunity Home will evaluate each proposal on its merits using the following factors:

- (A) Extent to which the project furthers Opportunity Home's goal of deconcentrating poverty and expanding housing and economic opportunities; and
- (B) Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.
- (C) Such other relevant factors as Opportunity Home determines, consistent with the goals of Opportunity Home and the PBV program.

(4) Opportunity Home-Owned Units [24 CFR 983.51(e), 983.59, FR Notice 1/18/17, and Notice PIH 2017-21]

- (a) An Opportunity Home-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the Opportunity Home -owned units were appropriately selected based on the selection procedures specified in the Opportunity Home Administrative Plan.
- (b) If Opportunity Home selects a proposal for housing that is owned or controlled by Opportunity Home, Opportunity Home must identify the entity that will review Opportunity Home's proposal selection process and perform specific functions with respect to rent determinations and inspections.
- (c) In the case of Opportunity Home-owned units, the term of the HAP contract and any HAP contract renewal must be agreed upon by Opportunity Home and a HUD-approved independent entity. In addition, an independent entity must determine the rent to owner, the redetermined rent to owner, and reasonable rent. Housing Quality Standards inspections must also be conducted by an independent entity.
- (d) The independent entity that performs these program services may be the unit of general local government for Opportunity Home's jurisdiction (unless Opportunity Home is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.
 - (i) Opportunity Home may submit a proposal for project-based housing that is owned or controlled by Opportunity Home. If the proposal for Opportunity Home-owned housing is selected,

Opportunity Home will use [insert name of the entity] to review the PHA selection and to administer the PBV program.

(ii) Opportunity Home will obtain HUD approval of [insert name of entity] prior to selecting the proposal for Opportunity Home-owned housing.

(e) Opportunity Home may only compensate the independent entity and appraiser from Opportunity Home's ongoing administrative fee income (including amounts credited to the administrative fee reserve). Opportunity Home may not use other program receipts to compensate the independent entity and appraiser for their services. Opportunity Home, independent entity, and appraiser may not charge families any fee for the appraisal or the services provided by the independent entity.

(f) Opportunity Home's MTW Activity FY2015-3 authorizes Opportunity Home to commit project-based vouchers (PBV) to [developments] in its mixed-income affordable housing portfolio, where Opportunity Home or a related entity owns the development.

(g) The commitment of PBV to developments owned by Opportunity Home or a related entity would be made without use of a local competitive process.

(5) Opportunity Home Notice of Owner Selection [24 CFR 983.51(d)]

(a) Opportunity Home must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

(b) Subsequent to Opportunity Home making a selection, Opportunity Home will provide prompt notice to the selected owner in writing of the owner's selection for the PBV program. Opportunity Home will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

(c) In addition, Opportunity Home will publish its notice for selection of PBV proposals in the same newspapers and websites Opportunity Home used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. Opportunity Home will also post the notice of owner selection on its electronic website.

(d) Opportunity Home will make available to any interested party its rating and ranking sheets and documents that identify Opportunity Home's basis for selecting the proposal. These documents will be available for

review by the public and other interested parties for one month after publication of the notice of owner selection. Opportunity Home will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

- (e) Opportunity Home will make these documents available for review at Opportunity Home during normal business hours. The cost for reproduction of allowable documents will be \$.10 per page.

18.2.C Housing Type [24 CFR 983.52]

- (1) Opportunity Home may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of Opportunity Home's selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.
- (2) Opportunity Home must decide what housing types, new construction, rehabilitated or existing housing will be used to develop project-based housing. Opportunity Home's choice of housing type must be reflected in its solicitation for proposals.

18.2.D Prohibition of Assistance for Certain Units

(1) Ineligible Housing Types [24 CFR 983.53]

- (a) Opportunity Home may not attach or pay PBV assistance to a
 - (i) Shared housing unit;
 - (ii) Unit on the grounds of a penal reformatory, medical, mental, or similar public or private institution;
 - (iii) Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities);
 - (iv) Unit owned or controlled by an educational institution or its affiliate and is designated for occupancy by students;
 - (v) Manufactured home;
 - (vi) Cooperative housing unit;

- (vii) Transitional housing unit; or
- (viii) Unit occupied by an owner.

(b) Opportunity Home may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

(c) ***High-rise Elevator Projects for Families with Children [24 CFR 983.53(b)]***

- (i) Opportunity Home may use high-rise elevator building for families with children if it makes a determination that there is no practical alternative and HUD approves Opportunity Home's determination. Opportunity Home may make this initial determination for its project-based voucher program, in whole or in part, and need not review each project on a case-by-case basis, and HUD may approve on the same basis.
- (ii) Opportunity Home will not use high-rise elevator projects for families with children.

(2) **Subsidized Housing [24 CFR 983.54]**

Opportunity Home may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- (a) A public housing unit;
- (b) A unit subsidized with any other form of HCV assistance;
- (c) A unit subsidized with any governmental rent subsidy;
- (d) A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- (e) A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- (f) A Section 202 project for non-elderly with disabilities;
- (g) Section 811 project-based supportive housing for persons with disabilities;
- (h) Section 202 supportive housing for the elderly;
- (i) A Section 101 rent supplement project;
- (j) A unit subsidized with any form of tenant-based rental assistance;
- (k) A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or Opportunity Home in accordance with HUD requirements.

18.2.E Subsidy Layering Requirements [24 CFR 983.55]

- (1) Opportunity Home may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.
- (2) The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.
- (3) Opportunity Home must submit the necessary documentation to HUD for a subsidy layering review. Opportunity Home may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.
- (4) The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.
- (5) Subsidy layering review is not required for the commitment of PBV to existing units. Subsidy layering review also will not be required if a subsidy layering review has been conducted by the applicable State or local agency, once HUD defines that exemption further by implementing the relevant provision of HERA through regulation or other guidance.

18.2.F Cap on Number of PBV Units in Each Project

- (1) **25 Percent per Project [24 CFR 983.56(a), FR Notice 1/18/17, and Notice PIH 2017-21]**

In general, Opportunity Home may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the project. The term “project” means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

(2) **Exceptions to 25 Percent per Project Cap [FR Notice 1/18/17; Notice PIH 2017-21]**

- (a) As of April 18, 2017, units are not counted against the 25 percent per project cap if:
 - (i) The units are exclusively for elderly families;
 - (ii) The units are for households eligible for supportive services available to all families receiving PBV assistance in the project; or
 - (iii) If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units for 40 percent (instead of 25 percent) of the units in the project [FR Notice 7/14/17].
- (b) The Housing Opportunity Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services.
 - (i) Projects where these caps were implemented prior to HOTMA (HAP contracts executed prior to 4/18/17) may continue to use the former exceptions and may renew their HAP contracts under the old requirements, unless Opportunity Home and the owner agree to change the conditions of the HAP contract.
 - (ii) However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.
- (c) Opportunity Home must include in its administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided.
 - (i) As of 4/18/17, the project must make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit.
 - (ii) It is not necessary that the services be provided at or by the project, but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible.
 - (iii) Opportunity Home may not require participation in the supportive services as a condition of living in the excepted unit, although such services may be offered.
- (d) If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in Opportunity Home's

administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

(3) **Projects not Subject to a Project Cap [FR Notice 1/18/17; Notice PIH 2017-21]**

PBV units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD are exempt from the project cap. In other words, 100 percent of the units in these projects may receive PBV assistance.

(4) **Supportive Services**

- (a) In order to exceed the 25 percent threshold for assisted units in any building, the owner must provide support services to the families in occupancy of the “excepted units” and the eligible family must maintain their participation in the services to retain their assistance in the excepted unit unless they successfully complete the services program.
- (b) Units occupied by elderly or disabled households are not subject to the mandatory services requirement. The services can either be provided on site or utilized on a referral basis through services staff on site.
- (c) Participating owners must provide a minimum of three qualifying services to meet the requirement to exceed the 25 percent threshold. Eligible services can include:
 - (i) Substance Abuse Counseling
 - (ii) Clinical Services for Non-Disabled Participants
 - (A) Non-Disabled Mental Health Services
 - (B) Non-Disabled Behavioral Support Services
 - (C) Linkages to Medical Providers for Non-Disabled Tenants
 - (iii) Self –Sufficiency Counseling
 - (A) Job Training/Career Counseling
 - (B) Money Management Counseling
 - (C) Youth Services – Child Care, After School Programs
 - (D) Housing Retention
 - (E) Section 8 FSS Participation

NOTE: Clinical Services, except for drug and alcohol treatment, cannot be used to meet the minimum required services for Excepted Units.

(d) **Monitoring**

- (i) All services will be monitored annually at the HAP anniversary.
- (ii) Each family will be required to certify that they are maintaining their participation in their services program at the time of the family's annual re-examination. Participation in services will be verified using third party procedures of verification.
- (iii) The owner must certify annually that it continues to provide a supportive services program.
- (iv) The owner must notify Opportunity Home immediately once a family is no longer in compliance with their services obligation.

(5) **Promoting Partially-Assisted Buildings [24 CFR 983.56(c)]**

- (a) Opportunity Home may establish local requirements designed to promote PBV assistance in partially assisted buildings. A partially assisted building is a building in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].
- (b) Opportunity Home may establish a per-building cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily building containing excepted units or in a single-family building.
- (c) Opportunity Home may also determine not to provide PBV assistance for excepted units, or Opportunity Home may establish a per-building cap of less than 25 percent.
- (d) Opportunity Home will not provide assistance for excepted units. Beyond that, Opportunity Home will not impose any further cap on the number of PBV units assisted per building.

18.2.G Site Selection Standards

(1) **Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]**

- (a) Opportunity Home may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless Opportunity Home has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding

housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and Opportunity Home's administrative plan.

- (b) In addition, prior to selecting a proposal, Opportunity Home must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).
- (c) It is Opportunity Home's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal Opportunity Home will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.
- (d) However, Opportunity Home will grant exceptions to the 20 percent standard where Opportunity Home determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities, or to preserve affordable housing consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities, in census tracts with poverty concentrations greater than 20 percent, such as sites in:
 - (i) A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
 - (ii) A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
 - (iii) A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
 - (iv) A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
 - (v) A census tract where there has been an overall decline in the poverty rate within the past five years; or
 - (vi) A census tract where there are meaningful opportunities for educational and economic advancement.

(2) Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

- (a) Opportunity Home may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards.
- (b) In addition, prior to selecting a proposal, Opportunity Home must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).
 - (i) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
 - (ii) Have adequate utilities and streets available to service the site;
 - (iii) Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
 - (iv) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
 - (v) Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

(3) New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- (a) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- (b) The site must have adequate utilities and streets available to service the site;
- (c) The site must not be located in an area of minority concentration unless Opportunity Home determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;

- (d) The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- (e) The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- (f) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- (g) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- (h) Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

18.2.H Environmental Review [24 CFR 983.58]

- (1) Opportunity Home activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). Opportunity Home may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.
- (2) In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5. HUD may provide for additional flexibility regarding the applicability of environmental reviews in its implementation of HERA, in which case Opportunity Home will apply such flexibility.
- (3) Opportunity Home may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and Opportunity Home, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review (if applicable) is completed.
- (4) Opportunity Home must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any

site. Opportunity Home must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

18.3 Dwelling Units

18.3.A Overview

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

18.3.B Housing Quality Standards [24 CFR 983.101]

- (1) The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.
- (2) The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.
- (3) **Lead-based Paint [24 CFR 983.101(c)]**

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

18.3.C Housing Accessibility for Persons with Disabilities

- (1) The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. Opportunity Home must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.
- (2) Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102).

18.3.D Inspecting Units

- (1) **Pre-selection Inspection [24 CFR 983.103(a)]**
 - (a) Opportunity Home must examine the proposed site before the proposal selection date. If the units to be assisted already exist, Opportunity

Home must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS.

- (b) To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, Opportunity Home may not execute the HAP contract until the units fully comply with HQS.

(2) **Pre-HAP Contract Inspections [24 CFR 983.103(b)]**

Opportunity Home must inspect each contract unit before execution of the HAP contract. Opportunity Home may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

(3) **Turnover Inspections [24 CFR 983.103(c), FR Notice 1/18/17, and Notice PIH 2017-20]**

Before providing assistance to a new family in a contract unit, Opportunity Home must inspect the unit. Opportunity Home may not provide assistance on behalf of the family until the unit fully complies with HQS, unless Opportunity Home has adopted a policy to enter into a HAP contract for units that fail the initial HQS inspection as a result of only non-life-threatening conditions or if the unit passed as an alternative inspection.

- (a) Opportunity Home will not provide assistance in turnover units until the unit fully complies with HQS.

(4) **Biennial Inspections [24 CFR 983.103(d)]**

- (a) At least biennially during the term of the HAP contract, Opportunity Home must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.
- (b) If more than 20 percent of the sample of inspected contract units in a building fails the initial inspection, Opportunity Home must reinspect 100 percent of the contract units in the building.

(5) **Other Inspections [24 CFR 983.103(e)]**

- (a) In the case of Opportunity Home-owned units, the inspections must be performed by an independent agency designated by Opportunity Home and approved by HUD. The independent entity must furnish a copy of each inspection report to Opportunity Home and to the HUD field office where the project is located. Opportunity Home shall take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by an owner.

- (b) As authorized by MTW Activity FY2013-4, Opportunity Home will perform HQS inspections of all Opportunity Home-owned units. An Opportunity Home-owned unit is defined as a unit that is owned by Opportunity Home and/or an affiliate of Opportunity Home that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by Opportunity Home).
- (c) Opportunity Home-owned units under the PBV program that are subject to an alternative inspection, Opportunity Home may rely upon inspections conduct at least triennially to demonstrate compliance with the inspection requirement.

18.4 Rehabilitated and Newly Constructed Units

18.4.A Overview [24 CFR 983.151]

- (1) There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.
- (2) Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

18.4.B Agreement to Enter into HAP Contract

- (1) In order to offer PBV assistance in rehabilitated or newly constructed units, Opportunity Home must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].
- (2) Opportunity Home may not enter into an Agreement if commencement of construction or rehabilitation if commencement of construction has commenced after proposal submission [24 CFR 983.152(c)]. In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and Opportunity Home agrees that upon timely completion of such development in accordance with the terms of the Agreement, Opportunity Home will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

(3) **Content of the Agreement [24 CFR 983.152(c)]**

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- (a) Site and the location of the contract units;
- (b) Number of contract units by area (size) and number of bedrooms and bathrooms;
- (c) Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- (d) Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- (e) An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements

must be included in the description of work to be performed under the Agreement;

- (f) Estimated initial rents to owner for the contract units;
- (g) Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by Opportunity Home, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- (h) Any additional requirements for quality, architecture, or design over and above HQS.

(4) **PHA Discretion [24 CFR 983.154]**

- (a) With respect to development activity, Opportunity Home may decide not to use an Agreement or execute an Agreement after construction or rehabilitation has commenced [24 CFR 983.153].
 - (i) Opportunity Home must explain the circumstances, if any, under which Opportunity Home will enter a PBV HAP contract for newly constructed or rehabilitated housing without first entering into an Agreement and under which Opportunity Home will enter into an Agreement after construction or rehabilitation that complied with applicable requirements found in 24 CFR 983.153. The following conditions apply:
 - (A) The owner of the project must be able to document its compliance with all applicable requirements from the date of proposal submission (for housing subject to competitive selection) or from the date of Opportunity Home's board resolution approving the project-basing of assistance at the project (for housing excepted from competitive selection);
 - (B) For housing subject to competitive selection, Opportunity Home must confirm prior to the proposal selection date that the owner has complied with all applicable requirements from the date of proposal submission. For housing excepted from competitive selection, Opportunity Home must confirm prior to executing the Agreement (if applicable) or HAP contract that the owner has complied with all requirements from the date of Opportunity Home's board resolution approving the project-basing of assistance at the project; and
 - (C) Opportunity Home must comply with the notice requirements of 24 CFR 983.153(c)(3).

- (b) Opportunity Home will enter into the Agreement with the owner promptly after receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.
 - (i) However, an exception will be made in cases where a subsidy layering review has already been submitted to HUD, and Opportunity Home can confirm that the project owner has complied with all applicable requirements in 24 CFR 983.153.

18.4.C Conduct of Development Work

(1) Labor Standards [24 CFR 983.154(b)]

- (a) If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.
- (b) The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. Opportunity Home must monitor compliance with labor standards.

(2) Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with:

- (a) Section 3 of the Housing and Urban Development Act of 1968;
- (b) The implementing regulations at 24 CFR part 135; and
- (c) Federal equal employment opportunity requirements.

(3) Owner Disclosure [24 CFR 983.154(d) and (e)]

- (a) The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.
- (b) The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

18.4.D Completion of Housing

- (1) The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines.
- (2) The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.
- (3) **Evidence of Completion [24 CFR 983.155(b)]**
 - (a) At a minimum, the owner must submit the following evidence of completion to Opportunity Home in the form and manner required by Opportunity Home:
 - (i) Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
 - (ii) Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.
 - (b) At Opportunity Home's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.
 - (c) Opportunity Home will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. Opportunity Home will specify any additional documentation requirements in the Agreement to enter into HAP contract.
- (4) **Evidence of Completion [24 CFR 983.155(b)]**
 - (a) Upon notice from the owner that the housing is completed, Opportunity Home must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. Opportunity Home must also determine if the owner has submitted all required evidence of completion.
 - (b) If the work has not been completed in accordance with the Agreement, Opportunity Home must not enter into the HAP contract.
 - (c) If Opportunity Home determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, Opportunity Home must submit the HAP contract for execution by the owner and must then execute the HAP contract.

18.5 Housing Assistance Payments Contract (HAP)

18.5.A Overview

- (1) Opportunity Home must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families.
- (2) Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term.
- (3) The HAP contract must be in the form required by HUD [24 CFR 983.202].

18.5.B HAP Contract Requirements

(1) **Contract Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- (a) The total number of contract units by number of bedrooms;
 - (b) The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
 - (c) The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
 - (d) Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
 - (e) Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
 - (f) Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
 - (g) The HAP contract term;
 - (h) The number of units in any project that will exceed the 25 percent per project cap, which will be set-aside for occupancy by qualifying families; and
 - (i) The initial rent to owner for the first 12 months of the HAP contract term.
- #### (2) **Execution of the HAP Contract [24 CFR 983.204]**
- (a) Opportunity Home may not enter into a HAP contract until each contract unit has been inspected and Opportunity Home has determined that the unit complies with the Housing Quality Standards

(HQS), unless Opportunity Home has adopted a policy to enter into a HAP contract for units that fail the initial HQS inspection as a result of only non-life-threatening conditions.

- (b) For existing housing, the HAP contract will be executed promptly after Opportunity Home determines that all units pass HQS.
- (c) For rehabilitated or newly constructed housing, the HAP contract will be executed promptly after Opportunity Home determines that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

(3) **Term of HAP Contract [24 CFR 983.205, FR Notice 1/18/17, and Notice PIH 2017-21]**

- (a) Opportunity Home may enter into a HAP contract with an owner for an initial term of no less than one year and no more than thirty years, including an initial term of up to 20 and an extension of up to 20 years. The extension may be included in the initial HAP contract, subject to Opportunity Home's determination that the owner is in compliance with the HAP contract and other legal requirements, in situations where Opportunity Home determines that the extension is appropriate to achieve long-term affordability of the housing or to expand housing opportunities.

- (b) The terms of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

- (c) Opportunity Home also may extend the term of the contract for additional terms of up to 20 years, subject to Opportunity Home's determination that the owner is in compliance with the HAP contract and other legal requirements, in situations where Opportunity Home determines that the extension is appropriate to achieve long-term affordability of the housing or to expand housing opportunities. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.
- (d) At the time of the initial HAP contract term or any time before expiration of the HAP contract, Opportunity Home may extend the term of the contract for an additional term of up to 20 years if Opportunity Home determines an extension is appropriate to continue providing affordable housing for low income families. A HAP contract extension may not exceed 20 years.
- (e) Opportunity Home may provide for multiple extensions; however, in no circumstances may such extensions exceed 20 years, cumulatively. Extensions after the initial extension are allowed at the end of any

extension term, provided that not more than 24 months prior to the expiration of the previous extension contract Opportunity Home agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities.

- (f) Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.
- (g) In the case of Opportunity Home-owned units, any extension of the term of the HAP contract must be agreed upon by the Opportunity Home and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

- (h) When determining whether or not to extend an expiring PBV contract, Opportunity Home may consider several factors including, but not limited to:
 - (i) The cost of extending the contract and the amount of available budget authority;
 - (ii) The condition of the contract units;
 - (iii) The owner's record of compliance with obligations under the HAP contract and lease(s);
 - (iv) Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
 - (v) Whether the funding could be used more appropriately for tenant-based assistance.

- (i) **Termination by PHA [24 CFR 983.205(c) and FR Notice 1/18/17]**
 - (i) The HAP contract must provide that the term of Opportunity Home's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by Opportunity Home in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

- (ii) In times of insufficient funding, HUD requires that Opportunity Home first take all cost-savings measures prior to failing to make payments under existing PBV HAP contracts.
- (iii) If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, Opportunity Home may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

(j) ***Termination by Owner [24 CFR 983.205(d)]***

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to Opportunity Home. In this case, families living in the contract units must be offered tenant-based assistance.

(4) **Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206, FR Notice 1/18/17, and Notice PIH 2017-21]**

- (a) Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify Opportunity Home and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD.
- (b) If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent.
- (c) An owner may renew the termination contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.
- (d) Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's required notice period ends. Opportunity Home must provide the family with a voucher and the family must also be given the option by Opportunity Home and the owner to remain in their unit with HCV tenant-based assistance as long as the unit complies with inspection and rent reasonableness requirements. The family pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as

the units are used for rental housing and are otherwise eligible for HCV assistance.

- (e) The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to Opportunity Home's HCV tenant-based program, and are not subject to income eligibility requirements or any other admission requirements.
- (f) If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

(5) Remedies for HQS Violations [24 CFR 983.207(b)]

- (a) Opportunity Home may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS.
- (b) If Opportunity Home determines that a contract does not comply with HQS, Opportunity Home may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include
 - (i) Termination of housing assistance payments,
 - (ii) Abatement or reduction of housing assistance payments,
 - (iii) Reduction of contract units, and
 - (iv) Termination of the HAP contract.

(c) Opportunity Home will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8.2.G, Enforcing Owner Compliance.

18.5.C Amendments to the HAP Contract

(1) Substitution of Contract Units [24 CFR 983.206(a)]

At Opportunity Home's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, Opportunity Home must inspect the proposed unit and determine the reasonable rent for the unit.

(2) **Addition of Contract Units [FR Notice 1/18/17, and Notice PIH 2017-21]**

- (a) Opportunity Home and the owner may amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements found at 24 CFR 983.51(b) for those additional PBV units, regardless of when the HAP contract was signed.
- (b) The additional PBV units, however, are still subject to the PBV program cap and individual project caps.
- (c) Prior to attaching additional units without competition, Opportunity Home must submit to the local field office information outlined in FR Notice 1/15/17. Opportunity Home must also detail in the administrative plan their intent to add PBV units and the rationale for adding units to the specific PBV project.

- (d) Opportunity Home will consider adding contract units to the HAP contract when Opportunity Home determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:
 - (i) The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
 - (ii) Voucher holders are having difficulty finding units that meet program requirements.

18.5.D HAP Contract Year, Anniversary and Expiration Dates [24 CFR 983.206(c) and 983.302(e)]

- (1) The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.
- (2) The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.
- (3) There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

18.5.E Owner Responsibilities Under the HAP [24 CFR 983.209]

When the owner executes the HAP contract, they certify that at such execution, and at all times during the term of the HAP contract:

- (1) All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- (2) The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- (3) Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by Opportunity Home, and the lease is in accordance with the HAP contract and HUD requirements;
- (4) To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- (5) The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- (6) The amount of the HAP the owner is receiving is correct under the HAP contract;
- (7) The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- (8) Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- (9) The family does not own or have any interest in the contract unit.

18.5.F Additional HAP Requirements

- (1) **Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]**
 - (a) The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with Opportunity Home and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.
 - (b) Opportunity Home may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP

contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

(c) Opportunity Home will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. Opportunity Home will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into the HAP contract, and the HAP contract.

(2) **Vacancy Payments [24 CFR 983.352(b)]**

(a) At the discretion of Opportunity Home, the HAP contract may provide for vacancy payments to the owner for an Opportunity Home-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by Opportunity Home and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

(b) Opportunity Home will decide on a case-by-case basis if Opportunity Home will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

18.6 Selection of PBV Program Participants

18.6.A Overview

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

18.6.B Eligibility for PBV Assistance [24 CFR 983.251(a) and (b)]

- (1) Opportunity Home may select families for the PBV program from those who are participants in Opportunity Home’s tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.
- (2) Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and Opportunity Home, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to Opportunity Home’s collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.
- (3) Opportunity Home will determine an applicant family’s eligibility for the PBV program in accordance with the policies in Chapter 3.
- (4) **In-Place Families [24 CFR 983.251(b)]**
 - (a) An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by Opportunity Home is considered an “in-place family.” These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on Opportunity Home’s waiting list. Once the family’s continued eligibility is determined (Opportunity Home may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute

selection preference and Opportunity Home must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

- (b) This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date, at least for the grounds specified for denying assistance in 24 CFR 982.552 and 982.553.

18.6.C Organization of the Waiting List [24 CFR 983.251(c)]

- (1) Opportunity Home may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. Opportunity Home may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by Opportunity Home. If Opportunity Home chooses to offer a separate waiting list for PBV assistance, Opportunity Home must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.
- (2) If Opportunity Home decides to establish a separate PBV waiting list, Opportunity Home may use a single waiting list for Opportunity Home's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.
- (3) Opportunity Home will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. Opportunity Home currently has waiting lists for the following PBV projects:
 - (a) Gardens of San Juan
 - (b) Wheatley Park
 - (c) East Meadows
 - (d) Beacon Communities

18.6.D Selection from the Waiting List [24 CFR 983.251(c)]

- (1) Applicants who will occupy units with PBV assistance must be selected from Opportunity Home's waiting list. Opportunity Home may establish selection criteria or preferences for occupancy of particular PBV units. Opportunity Home may place families referred by the PBV owner on its PBV waiting list.

- (2) **Income Targeting [24 CFR 983.251(c)(6)]**

At least 75 percent of the families admitted to Opportunity Home's tenant-based and project-based voucher programs during Opportunity Home's fiscal year from the waiting list must be extremely-low income

families. The income targeting requirement applies to the total of admissions to both programs.

(3) **Units with Accessibility Features [24 CFR 983.251(c)(7)]**

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

(4) **Preferences [24 CFR 983.251(d)]**

- (a) Opportunity Home may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. Opportunity Home must provide an absolute selection preference for eligible in-place families as described in Section 18.6.B, above.
- (b) Opportunity Home may establish a selection preference for families who qualify for voluntary services, including disability-specific services offered in conjunction with assisted units provided that preference is consistent with the Opportunity Home plan. Opportunity Home may not, however, grant a preference to a person with a specific disability [FR Notice 1/18/17].
- (c) In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.
- (d) If Opportunity Home has projects with “excepted units” for elderly families or supportive services, Opportunity Home must give preference to such families when referring families to these units [24 CFR 983.261(b), FR Notice 1/18/17].
- (e) Opportunity Home will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units).
- (f) **Family Homeless Referral** – Families certified by a designated homeless services provider currently partnered with Opportunity Home will receive a voucher for Beacon Communities [see MTW Activity FY 2015-3].
- (g) **Youth Aging Out of Foster Care Referral** – Youth referred through partner THRU Project for Opportunity Home’s “Next Step Housing

Program” will receive a voucher for Beacon Communities [see MTW Activity FY 2021-1].

- (h) **Time-Limited Workforce Pilot Program Referral** – Residents working in referred through workforce partners will receive a Project-Based voucher.

18.6.E Offer of PBV Assistance

(1) **Refusal of Offer [24 CFR 983.251(e)(3)]**

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

- (a) Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- (b) Deny any admission preference for which the applicant qualifies;
- (c) Change the applicant’s place on the waiting list based on preference, date, and time of application, or other factors affecting selection under Opportunity Home’s selection policy;
- (d) Remove the applicant from the tenant-based voucher waiting list.

(2) **Disapproval by Landlord [24 CFR 983.251(e)(2)]**

If a PBV owner rejects a family for admission to the owner’s units, such rejection may not affect the family’s position on the tenant-based voucher waiting list.

(3) **Acceptance of Offer [24 CFR 983.252]**

(a) **Family Briefing**

- (i) When a family accepts an offer for PBV assistance, Opportunity Home must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner.
- (ii) In addition to the oral briefing, Opportunity Home must provide a briefing packet that explains how Opportunity Home determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

(b) **Persons with Disabilities**

- (i) If an applicant family’s head or spouse is disabled, Opportunity Home must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the

written information packet. This may include making alternative formats available (see Chapter 2).

- (ii) In addition, Opportunity Home must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

(c) ***Persons with Limited English Proficiency***

Opportunity Home should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

18.6.F Owner Selection of Tenants

- (1) The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(a)(2) and (a)(3)].

(2) **Leasing [24 CFR 983.253(a)]**

- (a) During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by Opportunity Home from Opportunity Home's waiting list.
- (b) The contract unit leased to the family must be the appropriate size unit for the size of the family, based on Opportunity Home's subsidy standards.

(3) **Filling Vacancies [24 CFR 983.254(a)]**

- (a) The owner must promptly notify Opportunity Home of any vacancy or expected vacancy in a contract unit. After receiving such notice, Opportunity Home must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. Opportunity Home and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

(b) The owner must notify Opportunity Home in writing (mail, fax, or email) within five business days of learning about any vacancy or expected vacancy.

(c) Opportunity Home will make every reasonable effort to refer families to the owner promptly after receiving such notice.

(4) **Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]**

- (a) If any contract units have been vacant for 120 or more days since owner notice of the vacancy, Opportunity Home may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.
- (b) If any contract units have been vacant for 120 days, Opportunity Home will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period.
- (c) Opportunity Home will provide the notice to the owner within 10 business days of the 120th day of the vacancy.
- (d) The amendment to the HAP contract will be effective the first day of the month following the date of Opportunity Home's notice.

18.6.G Tenant Screening [24 CFR 983.255]

(1) **Opportunity Home Responsibility**

- (a) Opportunity Home is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy.
- (b) Opportunity Home will not conduct screening to determine a PBV applicant family's suitability for tenancy.
- (c) Opportunity Home must provide the owner with an applicant family's current and prior address (as shown in Opportunity Home's records) and the name and address (if known by Opportunity Home) of the family's current landlord and any prior landlords.
- (d) In addition, Opportunity Home may offer the owner other information Opportunity Home may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. Opportunity Home must provide applicant families a description of the PHA policy on providing information to owners, and Opportunity Home must give the same types of information to all owners.
- (e) Opportunity Home may not disclose to the owner any confidential information provided in response to a 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(a)(4)].

- (f) Opportunity Home will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. Opportunity Home will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

(2) **Owner Responsibility**

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

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

18.7 Occupancy

18.7.A Overview

After an applicant has been selected from the waiting list, determined eligible by Opportunity Home, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

18.7.B Lease [24 CFR 983.256]

- (1) 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.
- (2) **Form of Lease [24 CFR 983.256(b)]**
 - (a) The tenant and the owner must enter into a written lease agreement that is signed by both parties.
 - (i) If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum.
 - (ii) The tenancy addendum must include, word-for-word, all provisions required by HUD.
 - (b) If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as an Opportunity Home model lease.
 - (c) Opportunity Home may review the owner's lease form to determine if the lease complies with state and local law. If Opportunity Home determines that the lease does not comply with state or local law, Opportunity Home may decline to approve the tenancy.
 - (d) Opportunity Home will not review the owner's lease for compliance with state or local law.
- (3) **Lease Requirements [24 CFR 983.256(c)]**

The lease for a PBV unit must specify all of the following information:

 - (a) The names of the owner and the tenant;
 - (b) The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
 - (c) The term of the lease (initial term and any provision for renewal);
 - (d) The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;

- (e) A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
 - (f) The amount of any charges for food, furniture, or supportive services.
- (4) **Tenancy Addendum [24 CFR 983.256(d)]**
- The tenancy addendum in the lease must state:
- (a) The program tenancy requirements;
 - (b) The composition of the household as approved by Opportunity Home (the names of family members and any Opportunity Home-approved live-in aide);
 - (c) All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.
- (5) **Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]**
- (a) The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause.
 - (b) If the owner refuses to renew the lease without good cause, Opportunity Home must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.
- (6) **Changes in the Lease [24 CFR 983.256(e)]**
- (a) If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give Opportunity Home a copy of all changes.
 - (b) The owner must notify Opportunity Home in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities.
 - (c) Changes may only be made if approved by Opportunity Home and in accordance with the terms of the lease relating to its amendment.
 - (d) Opportunity Home must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.
- (7) **Owner Termination of Tenancy [24 CFR 983.257]**
- (a) With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12.3.B and 24 CFR 982.310).

- (b) In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.
- (c) **Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]**
 - (i) The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by Opportunity Home policy.
 - (ii) According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.
- (8) **Security Deposits [24 CFR 983.258]**
 - (a) The owner may collect a security deposit from the tenant. Opportunity Home may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.
 - (b) Opportunity Home will allow the owner to collect a security deposit amount the owner determines is appropriate.
 - (c) When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.
 - (d) The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.
 - (e) If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. Opportunity Home has no liability or responsibility for payment of any amount owed by the family to the owner.

18.7.C Moves

- (1) **Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]**
 - (a) If Opportunity Home determines that a family is occupying a wrong size unit, based on Opportunity Home’s subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features Opportunity Home must promptly notify the family and the owner of this determination,

and Opportunity Home must offer the family the opportunity to receive continued housing assistance in another unit.

- (b) Opportunity Home will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit promptly after Opportunity Home's determination. Opportunity Home will offer the family the following types of continued assistance in the following order, based on the availability of assistance:
 - (i) PBV assistance in the same building or project;
 - (ii) PBV assistance in another project; or
 - (iii) Tenant-based voucher assistance.
 - (c) If Opportunity Home offers the family a tenant-based voucher Opportunity Home must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by Opportunity Home).
 - (d) If Opportunity Home offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by Opportunity Home, or both, Opportunity Home must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by Opportunity Home.
 - (e) When Opportunity Home offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, Opportunity Home will terminate the housing assistance payments at the expiration of this 30-day period. Opportunity Home may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.
 - (f) Opportunity Home may allow under-housed or over-housed households to remain in occupancy for a period of time determined by Opportunity Home, based upon characteristics of the units, for former public housing residents that live in public housing units that have been disposed of or converted into PBV units.
- (2) **Family Right to Move [24 CFR 983.260]**
- (a) The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to

Opportunity Home. If the family wishes to move with continued tenant-based assistance, the family must contact Opportunity Home to request the rental assistance prior to providing notice to terminate the lease.

- (b) If the family terminates the lease in accordance with these requirements, Opportunity Home is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, Opportunity Home must give the family priority to receive the next available opportunity for continued tenant-based assistance.
- (c) As authorized by MTW Activity FY2015-3, Opportunity Home is not required to offer the family a tenant-based voucher to a household who wishes to relocate from a unit tied to a project-based voucher.
- (d) If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

18.7.D Exceptions to the Occupancy Cap [24 CFR 983.261]

- (1) As of April 17, 2018, Opportunity Home may not pay housing assistance under a PBV HAP contract for more than the greater of 25 units or 25 percent of the number of dwelling units in a project unless:
 - (a) The units are exclusively for elderly families;
 - (b) The units are for households eligible for supportive services available to all families receiving PBV assistance in the project; or
 - (c) If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project [FR Notice 7/14/17].
- (2) If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by Opportunity Home and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.
 - (a) However, if the FSS family fails to successfully complete the FSS contract of participation or supportive services objective and consequently is no longer eligible for supportive services, the family

must vacate the unit within a reasonable period of time established by Opportunity Home and Opportunity Home will cease paying HAP on behalf of the ineligible family.

- (3) Further, when a family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” because the family is no longer an elderly family due to a change in family composition, Opportunity Home has the discretion to allow the family to remain in the excepted unit. If Opportunity Home does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by Opportunity Home, and Opportunity Home must cease paying housing assistance payments on behalf of the non-qualifying family.
- (4) Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance. Opportunity Home or the owner cannot determine that a participant’s needs exceed the level of care offered by the qualifying services or require that individuals be transitioned to different projects based on service needs.
- (5) If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by Opportunity Home.
- (6) Opportunity Home may allow a family that initially qualified for occupancy of an excepted unit based on elderly family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly family member or long-term or permanent hospitalization or nursing care), the elderly family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family.
- (7) Opportunity Home will not provide PBV assistance for excepted units.

18.7.E Termination

- (1) Opportunity Home may terminate assistance in accordance with 24 CFR 982.551 and 982.551.

- (2) Opportunity Home may terminate assistance of participants in the Next Step Housing Program for failure to comply with THRU Project's rules and supportive service requirements.

18.8 Determining Rent to Owner

18.8.A Overview

- (1) The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.
- (2) During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

18.8.B Rent Limits [24 CFR 983.301]

- (1) Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:
 - (a) An amount determined by Opportunity Home, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
 - (b) The reasonable rent; or
 - (c) The rent requested by the owner.
- (2) **Certain Tax Credit Units [24 CFR 983.301(c)]**
 - (a) For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:
 - (i) The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
 - (ii) The contract unit is not located in a qualified census tract;
 - (iii) There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
 - (iv) The tax credit rent exceeds an Opportunity Home-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard);

- (b) For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:
 - (i) The tax credit rent minus any utility allowance;
 - (ii) The reasonable rent; or
 - (iii) The rent requested by the owner.

(c) **Definitions**

- (i) A qualified census tract is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.
- (ii) Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

(3) **Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]**

- (a) When determining the initial rent to owner, Opportunity Home must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, Opportunity Home must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, Opportunity Home may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.
- (b) Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment standard amount for use in the PBV program.
- (c) Likewise, Opportunity Home may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.
- (d) Upon written request by the owner, Opportunity Home will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances

and include documentation in support of the request. Opportunity Home will review and make a decision based on the circumstances and merit of each request.

- (e) In addition to considering a written request from an owner, Opportunity Home may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if Opportunity Home determines it is necessary due to Opportunity Home's budgetary constraints.

(4) Use of Small Area FMRs (SAFMRs) [24 CFR 888.113(h)]

- (a) While small area FMRs (SAFMRs) do not apply to PBV projects, PHAs that operate a tenant-based program under SAFMRs may apply SAFMRs to all future PBV HAP contracts.
- (b) If Opportunity Home adopts this policy, it must apply to all future PBV projects and Opportunity Home's entire jurisdiction. Opportunity Home and the owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if Opportunity Home subsequently changes its policy.
- (c) Further, Opportunity Home may apply SAFMRs to current PBV projects where the notice of owner selection was made on or before the effective date of Opportunity Home's implementation, provided the owner is willing to mutually agree to doing so and the application is prospective. Opportunity Home and the owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if Opportunity Home subsequently changes its policy. If rents increase as a result of the use of SAFMRs, the rent increase may not be effective until the first anniversary of the HAP contract.

- (d) Opportunity Home will apply the higher of SAFMRs or MAFMRs to Opportunity Home's PBV program.

(5) Exceptions for Former Public Housing Residents

- (a) The following exceptions apply to former public housing residents that live in public housing units that have been disposed of or converted into PBV units:
 - (i) Opportunity Home may allow households paying public housing flat rents to continue to pay such rents or transitional higher rents that remain below 30 percent of their adjusted incomes.
 - (ii) With respect to pro-rated households who otherwise would see a significant rent increase, Opportunity Home-related entity owners of the PBV units may request lower contract rents for those families' units without affecting rent comparability for other units at the developments.

- (iii) Opportunity Home may allow utility allowances consistent with the utility allowances the households were paying on the units in the public housing program, which may be more or less than the utility allowances that would be paid with respect to such units under the voucher program.
 - (b) Opportunity Home may make any other necessary rent or occupancy policy adjustments to provide minimal negative impact to former public housing residents.
- (6) **Redetermination of Rent [24 CFR 983.302]**
 - (a) Opportunity Home must redetermine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.
 - (b) **Rent Increase**
 - (i) If an owner wishes to request an increase in the rent to owner from Opportunity Home, it must be requested at the annual anniversary of the HAP contract (see Section 18.5.D). The request must be in writing and in the form and manner required by Opportunity Home. Opportunity Home may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).
 - (ii) An owner's request for a rent increase must be submitted to Opportunity Home 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.
 - (iii) Opportunity Home may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.
 - (c) **Rent Decrease**

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment. HERA allows HAP contracts to provide that the maximum rent on a unit shall not be less than the initial rent. Opportunity Home may include such a HAP contract provision, to the

extent this becomes allowable by HUD regulations or other HUD guidance to implement HERA.

(d) **Notice of Rent Change**

- (i) The rent to owner is redetermined by written notice by the PHA to the owner specifying the amount of the redetermined rent. Opportunity Home notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.
- (ii) Opportunity Home will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

(7) **Opportunity Home-Owned Units [24 CFR 983.301(g)]**

- (a) For Opportunity Home-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD.
 - (i) For any family member with a fixed source of income, the owner may determine that family member's income by means of a streamlined income determination. A streamlined income determination must be conducted by applying the verified cost of living adjustment (COLA) or current interest the previously verified or adjusted income amount.
- (b) Opportunity Home must use the rent to owner established by the independent entity.

18.8.C Reasonable Rent [24 CFR 983.303]

- (1) At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by Opportunity Home.

(2) **When Rent Reasonable Determinations are Required**

Opportunity Home must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur, unless such a redetermination would conflict with a HAP contract provision to provide that the maximum rent on a unit shall not be less than the initial rent (see "Rent Decrease" above):

- (a) There is a 10 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;

- (b) Opportunity Home approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- (c) The HAP contract is amended to substitute a different contract unit in the same building; or
- (d) There is any other change that may substantially affect the reasonable rent.

(3) **How to Determine Reasonable Rent**

- (a) The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, Opportunity Home must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

(b) **Comparability Analysis**

- (i) For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance.
- (ii) The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by Opportunity Home.
- (iii) The comparability analysis may be performed by Opportunity Home staff or by another qualified person or entity.
- (iv) Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

(4) **Opportunity Home-Owned Units**

- (a) For Opportunity Home-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements.
- (b) The independent entity must provide a copy of the determination of reasonable rent for Opportunity Home-owned units to Opportunity Home and to the HUD field office where the project is located.
- (c) Opportunity Home will determine the initial contract rent and annual redetermination of rent in accordance with PBV regulations.

(5) **Owner Certification of Reasonable Rent**

- (a) By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises.
- (b) At any time, Opportunity Home may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

18.8.D Effect of Other Subsidy and Rent Control

- (1) In addition to the rent limits discussed in Section 18-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 18-II.D).
- (2) **Other Subsidy [24 CFR 983.304]**
 - (a) At its discretion, Opportunity Home may reduce the initial rent to owner because of other governmental subsidies, including grants and other subsidized financing.
 - (b) For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.
 - (c) For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) as determined in accordance with requirements for the applicable federal program:
 - (i) An insured or non-insured Section 236 project;
 - (ii) A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
 - (iii) A Section 221(d)(3) below market interest rate (BMIR) project;
 - (iv) A Section 515 project of the Rural Housing Service;
 - (v) Any other type of federally subsidized project specified by HUD.
 - (d) **Combining Subsidy**

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.
- (3) **Rent Control [24 CFR 983.305]**

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

18.9 Payments to Owner

18.9.A Housing Assistance Payments [24 CFR 983.351]

- (1) During the term of the HAP contract, Opportunity Home must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and Opportunity Home agree on a later date.
- (2) Except for discretionary vacancy payments, Opportunity Home may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).
- (3) The amount of the housing assistance payment by Opportunity Home is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).
- (4) In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.
- (5) As of October 1, 2008, the owners/landlords were given the option of receiving payments through check or direct deposit. Beginning in October 1, 2009, all owners/landlords will be required to receive payment through direct deposit.

18.9.B Vacancy Payments [24 CFR 983.352]

- (1) If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if Opportunity Home determines that the vacancy is the owner's fault.
- (2) If Opportunity Home determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, Opportunity Home will notify the landlord of the amount of housing assistance payment that the owner must repay. The PHA will require the owner to repay the amount owed in accordance with the policies in Section 16.4.B.

- (3) At the discretion of Opportunity Home, the HAP contract may provide for vacancy payments to the owner. Opportunity Home may only make vacancy payments if:
 - (a) The owner gives Opportunity Home prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
 - (b) The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
 - (c) The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
 - (d) The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.
- (4) The owner must submit a request for vacancy payments in the form and manner required by Opportunity Home and must provide any information or substantiation required by Opportunity Home to determine the amount of any vacancy payment.
- (5) If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified Opportunity Home of the vacancy in accordance with the policy in Section 18.6.F regarding filling vacancies.
- (6) In order for a vacancy payment request to be considered, it must be made promptly within the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and Opportunity Home may require the owner to provide documentation to support the request. If the owner does not provide the information requested by Opportunity Home promptly within Opportunity Home's request, no vacancy payments will be made.

18.9.C Tenant Rent to Owner [24 CFR 983.353]

- (1) The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by Opportunity Home in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in Opportunity Home notice to the family and owner.
- (2) The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by Opportunity Home is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the

tenant rent as determined by Opportunity Home. The owner must immediately return any excess payment to the tenant.

(3) **Tenant and PHA Responsibilities**

- (a) The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by Opportunity Home.
- (b) Likewise, Opportunity Home is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. Opportunity Home is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. Opportunity Home may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

(4) **Utility Reimbursements**

- (a) If the amount of the utility allowance exceeds the total tenant payment, Opportunity Home must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.
- (b) Opportunity Home may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If Opportunity Home chooses to pay the utility supplier directly, Opportunity Home must notify the family of the amount paid to the utility supplier.
- (c) Opportunity Home will make utility reimbursements to the family.

18.9.D Other Fees and Charges [24 CFR 983.354]

(1) **Meals and Supportive Services**

- (a) With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.
- (b) In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

(2) **Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

18.10 Next Step Housing Program

18.10.A Overview

- (1) The Next Step Housing Program is a set-aside, project-based voucher program for youth aging out of foster care, administered in partnership with THRU Project.

18.10.B Program Administration

(1) Term of Assistance

(a) Year 1

- (i) Participants are enrolled in the program and receive housing assistance from Opportunity Home through a modified project-based voucher at Woodhill Apartments.

(b) Years 2 and 3

- (ii) After the first year, participants will have the option of continuing on housing assistance for an additional 24 months with a traditional tenant-based voucher, and will have the choice to remain at Woodhill Apartments or move to another housing unit within Opportunity Home's jurisdiction.

- (A) Participants must be recommended by THRU Project for continuance in the voucher program.

(2) Rent Calculation

- (a) Participants admitted to this program will follow the Agency's alternative implementation of small area fair market rents as established under FY2019-1: Local Small Area Fair Market Rent (SAFMR) Implementation.
- (b) See 6.3.A(2)(c) for rent calculation requirements under the program.

(3) Continued Eligibility

- (a) Participants will have an annual recertification every 12 months and will not follow alternative recertification processes established under FY2019-2: Alternate Recertification Process (PH and HCV).
- (b) Participants must comply with THRU Project's rules and supportive service requirements.
- (c) See 18.7.E(2) for program termination policies.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 19

SPECIAL PROGRAMS

Chapter 19: Special Programs

Opportunity Home San Antonio (Opportunity Home) also operates the U.S. Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) Program. The VASH program combines HUD Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers.

This chapter describes HUD regulations and Opportunity Home policies related to these special programs created through this target funding:

PART 1: General Requirements

PART 2: College & University Homeless Assistance Programs

PART 3: Set Aside Homeless Voucher Program

PART 4: Move On Program

PART 5: Moderate-Rehabilitation Program

PART 6: HUD-VASH Program

PART 7: Family Self-Sufficiency Program

19.1 General Requirements

19.1.A Overview

- (1) HUD may award Opportunity Home funding for a specified category of families on the waiting list. Opportunity Home must use this funding only to assist the families within the specified category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4.3.C.
- (2) Opportunity Home administers the following types of targeted funding:
 - (a) **Homeless Services Voucher (HSV) Program**

The Homeless Services Voucher (HSV) Program is a set-aside voucher program that provides rental voucher assistance to homeless individuals through collaboration with various agencies with case management and supportive services provided by Haven for Hope.
 - (b) **Moderate Rehabilitation (Mod-Rehab)**

The Moderate Rehabilitation (Mod-Rehab) Program provides project-based rental assistance for low-income families. Assistance is limited to properties previously rehabilitated pursuant to a Housing Assistance Payments (HAP) Contract between an owner and Opportunity Home.
 - (c) **Mainstream for Persons with Disabilities**

The Mainstream Voucher Program is a set-aside voucher program that enables income-eligible, disabled families to lease affordable private housing.
 - (d) **Non-Elderly Disabled Vouchers (NED)**

The Non-Elderly Disabled Vouchers Program (NED) is a set-aside voucher program that enables non-elderly disabled families to lease affordable private housing.
 - (e) **Veterans Affairs Supportive Housing (VASH)**

The Veterans Affairs Supportive Housing (VASH) Program for homeless veterans combines Housing Choice Voucher (HCV) rental assistance with case management and clinical services provided by the Department of Veterans Affairs (VA) at VA medical centers and community-based outreach clinics.
- (3) In accordance with Section 4.3.C, Selection Method, of this Administrative Plan, Opportunity Home does not maintain a waiting list for homeless populations served by this program. Accordingly, Chapter 4, *Application, Waiting List Selection* of this Administrative Plan generally do not apply to the SPC program.

- (4) In accordance with 24 CFR 582.5, an eligible person is a homeless person with disabilities (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have AIDS and related diseases) and, if also homeless, the family of such a person. Income eligibility is determined in accordance with 24 CFR 5 subpart F.

19.1.B Selecting Grant Participants [24 CFR 582.5]

Method for Selecting Grant Participants-Request for Proposals Process

- (1) Immediately after Opportunity Home has decided to compete under a HUD Notice of Fund Availability (NOFA) for the Shelter Plus Care (SPC) and Special Needs Assistance (SNAP) Program, Opportunity Home uses a Request for Proposals (RFP) to solicit organizations that may wish to participate in the program.
- (2) The RFP is conducted in accordance with the procurement policies as determined by Opportunity Home. Opportunity Home may publish a consolidated RFP which simultaneously requests proposals for all components of the SPC and Special Needs Assistance (SNAP) program.

19.1.C Prerequisites and Selection Criteria

Additional Program Prerequisites and Selection Criteria

- (1) Opportunity Home may add to or delete from the selection criteria and proposal content set forth as may be needed to conform with HUD requirements.
- (2) Opportunity Home may establish criteria for proposers based on other needs of the agency and of the community including the proposer's responsiveness to local objectives specified by Opportunity Home in the RFP.

19.1.D Selection Process

- (1) Opportunity Home notifies proposers of the recommendations for selected proposals which are presented to the Opportunity Home Board of Commissioners, including the anticipated date when the Board will take action on the recommendations.
- (2) Opportunity Home coordinates its selections with other organizations as required by the HUD competitive process and local priorities.
- (3) Opportunity Home submits its application containing the selected proposals to HUD for its approval.
- (4) Opportunity Home notifies proposers of HUD's acceptance thereof or of any required modifications to a proposal.

- (5) Opportunity Home enters into a contract with the successful proposers, hereafter called Contractors, setting forth the mutual obligations of the parties in accordance with HUD regulations and in a form approved by the legal counsel of Opportunity Home.
- (6) No contract may be executed, no expenditure of funds or obligation to spend funds may be incurred and no program implementation may begin without prior approval of the Opportunity Home Board of Commissioners.

19.2 College & University Homeless Assistance Programs

19.2.A Overview

- (1) The College & University Homeless Assistance Programs are set-aside voucher programs for homeless students attending any of the Alamo Community Colleges.
- (2) Opportunity Home has the following major responsibilities in administering the College & University Homeless Assistance Programs:
 - (a) Developing and implementing policies and procedures in accordance with HUD’s regulations and guidance;
 - (b) Managing relevant data on program participants;
 - (c) Managing all aspects of the participant’s housing assistance including the following:
 - (i) Conducting eligibility determinations;
 - (ii) Conducting inspections;
 - (iii) Calculating tenant rent and Housing Assistance Payments (HAP);
 - (iv) Releasing HAP to landlords.
- (3) Other major responsibilities for administering the College & University Homeless Assistance Programs are established by the Memorandums of Understanding (MOU).

19.2.B Intake and Screening Procedures

(1) Eligibility

- (a) Applicants must meet Opportunity Home eligibility criteria in accordance with 3.2 of this Administrative Plan.
- (b) For purposes of determining eligibility of a person under 3.2.E, any financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives will be considered income to that individual, except for a person over the age of 23 with dependent children.
 - (i) If a student is determined to be independent from their parents, then the income of the student’s parents will not be considered in determining the student’s eligibility. See 3.2(4)(b) for “independent child” criteria.

(2) Intake Procedure

- (a) Applicants must complete a College & University Housing Assistance Programs application following the Census Date of the semester.
- (b) Either Palo Alto College or St. Philip's College will verify and document the following eligibility requirements:
 - (i) Applicant is enrolled in at least six credit hours as part of a degree or certificate program;
 - (A) Applicants who have already been awarded a degree or certificate are ineligible unless approved by the Dean or Vice President for Student Success (VPSS).
 - (B) While preference will be given to applicants enrolled at Palo Alto College or St. Philip's College, applicants enrolled at any Alamo Colleges District institution may be considered for assistance if capacity exists.
 - (ii) Applicant may not be in arrears or owe funds to any public housing agency;
 - (iii) Applicant must have a completed Free Application for Federal Student Aide (FAFSA) on file;
 - (iv) Applicant must have a cumulative Grade Point Average (GPA) of 2.0 or higher;
 - (A) If an applicant does not meet the GPA requirement, the applicant may request an appeal for continued participation in the program.
 - (v) Applicants must submit a brief 3-5 sentence statement explaining the housing insecurity circumstances as it relates to definition of "homelessness" provided; and
 - (vi) Applicant must consent to FERPA Release statement on application.
- (c) Either Palo Alto College or St. Philip's College will send a referral packet to Opportunity Home indicating that the applicant meets the eligibility criteria above.

(3) Eligibility Appointment

- (a) Once the applicant has been referred to Opportunity Home by Palo Alto College or St. Philip's College, the applicant will be

scheduled for an eligibility appointment to verify the applicant meets Opportunity Home eligibility requirements and to determine affordability for a unit.

- (b) Once eligibility is determined, Opportunity Home will issue the applicant a voucher to search for an acceptable unit.

19.2.C Program Administration

- (1) The program will be administered in accordance with this Administrative Plan and MTW policy, unless otherwise stated.

(2) Rent Calculation

- (a) Opportunity Home will examine a participant's income to determine the amount of the contribution toward rent payable by the participant in accordance with FY 2014-6.
- (b) Adjustments to a participant's contribution toward rental payment must be made in accordance with this Administrative Plan.
- (c) Each program participant must agree to supply the information or documentation necessary to verify the participant's income.

(2) Term of Assistance

- (a) The program participant will be assisted for the amount of time agreed upon per their degree plan.

(3) Lease Agreements

- (a) Leases executed under this program will follow standards as regulated by 24 CFR 982.308 & 24 CFR 982.310.
- (b) The lease may be determined to have a one-year term or alternative term length to accommodate the school semester time frame.
- (c) If Opportunity Home terminates the Housing Assistance Payment (HAP) contract due to program violations, the lease will automatically terminate.

(4) Continued Eligibility

- (a) Participants must retain a cumulative GPA of 2.0 or higher throughout program participation.
- (b) Participants are required to move to full-time enrollment by their third semester if not at full-time enrollment at the time of application.

- (c) Participants must meet with a Financial Literacy Sr. Advisor at either Palo Alto College or St. Philip's College for an advising session and/or participate in financial coaching workshops.

19.2.D Termination

Opportunity Home may terminate assistance to a program participant who violates program requirements or conditions of occupancy in accordance with Chapter 12 of this Administrative Plan.

Opportunity Home may terminate assistance upon completion of the degree or certificate program.

Opportunity Home will assess if there is a need for continued assistance and will consider a preference for the HCV waitlist.

19.3 Set Aside Homeless Voucher Program

19.3.A Overview

- (1) The Set Aside Homeless Voucher Program (SHVP) provides rental voucher assistance based on community need to homeless individuals through a collaborative referral process with case management and supportive services provided by the Center for Health Care Services (CHCS) and San Antonio Metropolitan Ministries (SAMB) [see MTW Activity FY 2011-9].
- (2) All Housing Choice Voucher regulations at 24 CFR part 982 apply to the Set Aside Homeless Voucher Program unless explicitly stated otherwise in the policies outlined in this Administrative Plan.

19.4 Move On Program

19.4.A Overview

- (1) The Move On Program provides tenant-based vouchers based on community need for families to transition into subsidized housing via the Housing Choice Voucher. The program is designed to serve those who previously experienced chronic homelessness, have been successfully served through supportive housing and will benefit from ongoing housing subsidy to prevent a return to homelessness. Current partner is Close to Home [see MTW Activity FY 2011-9 and MTW Activity FY 2019-2020 Amendment].

19.5 Moderate Rehabilitation Program

19.5.A Moderate Rehabilitation (Mod-Rehab)

- (1) For the Moderate Rehabilitation, Opportunity Home follows the regulations established by HUD for the Mod Rehab (Mod Rehab) program and the policies incorporated into this Administrative Plan except as noted below. Where there is a conflict between regulations for the Mod Rehab program and the SPC regulations, the SPC regulations prevail.
- (2) Opportunity Home's Mod Rehab waiting list must be organized in such a manner to allow Opportunity Home to accurately identify and select families for assistance in the proper order.
- (3) The Mod Rehab waiting list must contain the following information for each applicant listed:
 - (a) Applicant name;
 - (b) Family unit and bedroom size;
 - (c) Date of application;
 - (d) Racial or ethnic designation of the head of household.
- (4) HUD requires Opportunity Home to maintain a single waiting list for the Mod Rehab unless it serves more than one county or municipality. Opportunity Home is permitted, but not required, to maintain a separate waiting list for each county or municipality served.
 - (a) Opportunity Home will maintain a separate waiting list for the Mod-Rehab Program. The waiting list will be property specific and referral based.
- (5) Families will be selected from the Mod Rehab waiting list and referred to the property based on the number of available units and by bedroom size.
- (6) HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program Opportunity Home operates if
 - (a) The other programs' waiting lists are open, and
 - (b) The family is qualified for the other programs.
- (7) HUD permits, but does not require, Opportunity Home to maintain a single merged waiting list for its public housing, Section 8, and other subsidized housing programs.
- (8) A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

- (a) Opportunity Home will manage a Mod-Rehab waiting list.
 - (b) Mod-Rehab applicants will be placed on the waiting list in the chronological order their applications are submitted to Opportunity Home.
- (9) If any owner of a Mod Rehab property expresses interest in converting housing assistance under HUD's Rental Assistance Demonstration (RAD) program, Opportunity Home will work directly with the owner as needed to provide information and facilitate the conversion.

19.5.B Owner Responsibilities

- (1) The owner shall be responsible (subject by review or audit by Opportunity Home or HUD) for performing all of their obligations under the Contract and Lease.
- (2) The owner is also responsible for performing all the owner responsibilities under the Agreement.

19.5.C Family Participation

A family becomes a participant when the family and owner execute a Lease for a unit with Mod Rehab assistance.

19.5.D Filling Vacant Units

- (1) The owner must notify Opportunity Home as soon as vacancies occur.
- (2) Opportunity Home will refer to the owner one or more families of the appropriate size from Opportunity Home's waiting list.
- (3) A family that refuses the offer of a unit assisted under this program may keep its place on the waiting list.
- (4) All vacant units must be rented to eligible families referred from Opportunity Home's waiting list to the owner within 30 days of the owner's notification to Opportunity Home of a vacancy.
- (5) The owner may advertise for or solicit applications from eligible very-low income families, if authorized by Opportunity Home, in accordance with HUD requirements. The owner must refer these families to Opportunity Home to determine eligibility.
- (6) The owner is responsible for screening and selection of tenants.
 - (a) The owner may refuse any family provided the owner does not unlawfully discriminate.

- (b) If the owner rejects a family and the family believes that the rejection was the result of unlawful discrimination, the family may request the assistance of Opportunity Home in resolving the issue. If the issue is not resolved promptly, the family may file a complaint with HUD and Opportunity Home may refer the family to the next available Moderate Rehabilitation unit.
- (c) All vacant units under Contract must be rented to eligible families referred by Opportunity Home from its waiting list. However, if Opportunity Home is unable to refer a sufficient number of interested applicants to the owner within 30 days of the owner's notification to Opportunity Home of a vacancy, the owner may advertise or solicit applications from low-income families and refer such families to Opportunity Home to determine eligibility.

19.5.E Briefing Families

- (1) When a family is selected to occupy a Mod Rehab unit, Opportunity Home must provide the family with information concerning the tenant rent and any applicable utility allowance.
- (2) The family must, either in a group or individual sessions, be provided with a full explanation of the following:
 - (a) Family and owner responsibilities under the Lease and Contract;
 - (b) Significant aspects of the Federal, State and Fair Housing laws;
 - (c) The fact that the subsidy is tied to the unit and that family must occupy a unit constructed or rehabilitated under the program;
 - (d) The likelihood of the family receiving a voucher after the HAP contract expires;
 - (e) The family's options under the program, if the family is required to move because of a change in size or composition;
 - (f) The advisability and availability of blood level screening for children under seven years of age and HUD requirements for inspecting, testing and in certain circumstances abating lead-based paint; and
 - (g) Information of Opportunity Home's procedures for conducting informal hearings for participants, including a description of the circumstances in which Opportunity Home is required to provide the opportunity for an informal hearing and of the procedures for requesting a hearing.

19.5.F Continued Assistance For a Family When The Contract is Terminated

- (1) If the contract for the unit expires or if Opportunity Home terminates the Contract for the unit, Opportunity Home will issue the assisted family occupancy of a unit or a voucher for assistance under the Opportunity Home's HCV program unless Opportunity Home has determined that it does not have sufficient funding for continued assistance for the family or Opportunity Home denies issuance of a voucher in accordance with this plan.
- (2) If the unit is not occupied by an assisted family, then the available HAP funds that were previously committed for assistance in the Mod Rehab unit, shall be used for the Opportunity Home's HCV program.

19.5.G Lease Requirements

- (1) The term of a lease, including a new lease or lease amendment, executed by the owner and the family must be for at least one year, or the remaining term of the contract if it is less than one year.
- (2) The lease may contain a provision permitting the family to terminate the lease on no more than 60 days advance written notice to the owner.
- (3) In the case of a lease term of more than one year, the lease must contain a provision permitting the family to terminate the lease on such notice after the first year term.
- (4) The owner may offer the family a new lease for execution by the family for a term beginning at any time after the first year of the term of the lease.
 - (a) The owner shall give the family notice of the offer at least 60 days before the proposed commencement date of the new lease term.
 - (b) The offer may specify a reasonable time for acceptance by the family.
 - (c) Failure by the family to accept the offer of a new lease in accordance with the lease shall be "other good cause" for termination of tenancy.

19.5.H Maintenance, Operation and Inspection

- (1) The owner must provide all the services, under the Contract, subject to abatement of housing assistance payments or other applicable remedies if the owner fails to meet these obligations.
- (2) In addition to the inspections required prior to execution of the Contract, Opportunity Home must inspect or cause to be inspected each dwelling unit under Contract at least annually and at such other times as may be necessary to assure that the owner is meeting the obligations to maintain the unit in decent, safe and sanitary condition and to provide the agreed upon utilities and other services.

- (a) Opportunity Home must take into account complaints and any other information coming to its attention in scheduling inspections.
 - (b) If Opportunity Home notifies the owner that the unit(s) under Contract is not being maintained in decent, safe and sanitary condition and the Owner fails to take corrective action (including corrective action with respect to the family where the condition of the unit is the fault of the family) within the time prescribed in the notice, Opportunity Home may exercise any of its rights or remedies under the Contract, including:
 - (i) Abatement of housing assistance payments (even if the family continues in occupancy),
 - (ii) Termination of the Contract on the affected unit(s) and assistance to the family in accordance with 24 CFR §882.514.
- (3) Where Opportunity Home is managing units for which it is also administering HAP pursuant to a management contract approved by HUD in accordance with 24 CFR 882.412, HUD will make reviews of project operations, including inspections, in addition to required Opportunity Home reviews. These HUD reviews will be sufficient to assure that the owner and Opportunity Home are in full compliance with the terms and conditions of the Contract and the ACC.
- (a) Should HUD determine that there are deficiencies, it may:
 - (i) Exercise any rights or remedies specified for Opportunity Home under the Contract or reserved for HUD in the ACC,
 - (ii) Require termination of the management contract, or
 - (iii) Take other appropriate action.
 - (b) Periodic audit must be conducted by Opportunity Home as required by HUD, in accordance with guidelines prescribed by 24 CFR Part 44.

19.5.I Reexamination of Family Income and Composition

See Chapter 6 of Administrative Plan.

19.5.J Overcrowded and Under-Occupied Units

- (1) If Opportunity Home determines that a contract unit is not decent, safe and sanitary because of an increase in family size which causes the unit to be overcrowded or that a contract unit is larger than appropriate for the size of the family in occupancy under the Occupancy Standards, housing assistance will be terminated.
- (2) The owner, however, must offer the family a suitable alternative unit if one is available and the family shall be required to move.

- (3) If the owner does not have available a suitable unit with the family's ability to pay the rent, Opportunity Home will list the family's name at the top of the waiting list of applicants desiring placement in a project based program. Opportunity Home (if it has sufficient funding) will offer Section 8 assistance to the family or otherwise assist the family in locating other standard housing in Opportunity Home's jurisdiction within the family's ability to pay, and require the family to move to such a unit as soon as possible (usually 60 days notice).
- (4) The family shall not be forced to move, nor shall housing assistance payments under the Contract be terminated for the reasons specified in this paragraph unless the family rejects, without good reason, the offer of a unit that Opportunity Home determines to be acceptable.

19.5.K Owner Claims

- (1) Owners may make "special claims" for damages, unpaid rent, and vacancy loss after the tenant has vacated the unit.
 - (a) Owner claims for payment for unpaid rent, damages, or vacancy loss will be reviewed for accuracy and completeness and compared with records in the file.
 - (b) Opportunity Home establishes standards by which to evaluate claims, but the burden of proof rests with the owner.
- (2) If vacancy loss is claimed, Opportunity Home will ascertain whether or not the family gave proper notice of its intent to move.
 - (a) The file will also be reviewed to verify owner compliance at the time the Contract was terminated.
 - (b) Opportunity Home will pay properly filed claims to the owner as a function of the Contract, but the tenant is ultimately responsible to reimburse Opportunity Home for claims paid to the owner.
- (3) **Unpaid Rent**
 - (a) Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted Lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP Contract.
 - (b) Separate agreements are not considered a tenant obligation under the Lease and Opportunity Home will not reimburse the owner for any claims under these agreements.
- (4) **Vacancy Loss**
 - (a) Vacancy loss is paid if the move was in violation of the notice requirements in the Lease, or the result of an eviction. In order to claim vacancy loss, the unit must be available for Lease and the landlord must:

- (i) Notify Opportunity Home within 48 hours upon learning of the vacancy, or prospective vacancy, and
- (ii) Pursue all possible activities to fill the vacancy, including, but not limited to:
 - (A) Contacting applicants on the owner's Opportunity Home-approved Mod Rehab waiting list, if any;
 - (B) Seeking eligible applicants from Opportunity Home's waiting list;
 - (C) Not rejecting potentially eligible applicants except for good cause; and
 - (D) Advertising the availability of the unit.
- (b) In the event that a unit becomes vacant because of death, Opportunity Home will permit the owner to keep the HAP for the month in which the tenant died. If the tenant moves *after* the date given on their notice of intent to vacate, the landlord may claim vacancy loss by providing acceptable documentation that there was a bona fide prospective tenant to whom the unit could have been rented.

(5) Damages

- (a) The owner should be present during the move-out inspection and only damages claimed by the owner are reimbursable. All claims for the actual bills for materials and labor and a copy of the canceled checks must support damages or other receipts documenting payment.
- (b) Bills from individuals providing labor must include their name, address and phone number. The landlord may not bill themselves for labor since that is not considered by Opportunity Home to be an "actual cost." However, the actual cost of the owner's employees' labor, such as the resident manager, to make repairs may be included.
- (c) Reimbursement for replacement of items such as carpets, drapes, or appliances is based on depreciation schedules in general use by Opportunity Home.
- (d) Opportunity Home may require verification of purchase date, quality, and price of replaced items in order to calculate depreciation. Damages, which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can not be considered "other items due under the lease."
- (e) Eligible items to be included on the damage claim must have been a tenant responsibility under the Lease or State law. Claims for unpaid utility bills cannot be approved as part of a claim.

- (f) Claims for normal wear and tear, previously existing conditions, routine turnover preparation, cleaning and cyclical interior painting is not paid.
- (g) Opportunity Home may inspect the unit to verify that repairs were made.

(6) Processing Claims

- (a) Any amount owed by the tenant to the owner for unpaid rent or damages first will be deducted from the maximum security deposit, which the owner could have collected under the program rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the Lease, the owner may request reimbursement from the HA up to the limits for each program.
- (b) If the owner claims vacancy loss, the security deposit that they collected or could have collected will be deducted from the vacancy loss claim.
- (c) Opportunity Home will review claims for unpaid rent, damages, or vacancy loss and make a preliminary determination of amount payable.
- (d) Opportunity Home will inform the family that a claim is pending (notice sent to last known address). The notification will state:
 - (i) The preliminarily determined amount,
 - (ii) The type of claim, and
 - (iii) The procedure for contesting the claim.
- (e) Opportunity Home will schedule a Claim Review.
 - (i) If the family misses the Claim Review, another will not be scheduled unless there are extenuating circumstances.
 - (ii) At the Claim Review, the amount and type of claim will be discussed with the family.
 - (iii) If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement. If the family does not agree to sign a Payment Agreement, Opportunity Home will process the account for collection.
 - (iv) If the family demonstrates that the claim, or parts of it, is invalid, Opportunity Home will adjust the amount. Opportunity Home may offer the tenant an opportunity for an Informal Hearing regarding the claim if disputes cannot be resolved.
- (f) After a determination has been made, Opportunity Home will notify the family in writing of the decision.
 - (i) If it has been determined that the family owes money, Opportunity Home will pursue collection to repay either in a lump sum or through a payment agreement.

- (ii) The notice will warn the family that their assistance may be terminated and they may be denied future participation in the program if they do not reimburse Opportunity Home as required.

(7) Other Requirements for Claims Processing

- (a) All notices to tenants during the processing of a claim must include proof of mailing or of personal delivery. Costs of filing eviction to remove the tenant or any other legal fees may not be reimbursed. No claims will be paid for a unit, which is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.
- (b) All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within three days of the date the unit is ready for occupancy.

19.5.L Move-Out and Close-Out Inspections

- (1) Move-out inspections are performed after the tenant has vacated the unit. These inspections are performed to assess the condition of the unit, not to evaluate the HQS.
 - (a) Vacate inspections will be conducted by Opportunity Home Housing Inspectors.
 - (b) Opportunity Home's initial inspection of the unit will include a "conditions" report which will be compared to the conditions found during the move-out inspection.
 - (c) The owner must notify Opportunity Home of the move-out and request an inspection within 48 hours of learning of the move-out in order to submit a claim for damages.
- (2) If the contract was terminated due to owner breach, or the owner was in violation of the contract at the time that it was terminated, there will be no entitlement to claims and therefore no inspection.
 - (a) The owner and tenant will be notified of the date and time of the inspection.
 - (b) If the owner is not present, the move-out inspection will not be rescheduled.
- (3) Opportunity Home will not conduct a move-out inspection on tenant's request if the owner does not also request an inspection.
- (4) A damage claim will not be approved *unless* the move-out inspection is requested and completed prior to any work being done. In the event that Opportunity Home is unable to inspect within three days, the owner will be permitted to use date-stamped photographs to substantiate the claim.

19.5.M Informal Review and Hearings

Opportunity Home is not required to provide an informal review to review Opportunity Home's determination.

See Chapter 16 for Opportunity Home policy regarding Informal Reviews and Hearings.

19.6 HUD-VASH Program

19.6.A Special Procedures – HUD-VASH

- (1) Although HUD-VASH vouchers are administered in accordance with the Housing Choice Voucher regulations at 24 CFR part 982, the 2008 Appropriations Act authorized the HUD Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation deemed necessary for effective delivery and administration of the HUD-VASH program.
- (2) This chapter provides the key waivers and alternative requirements as designated by the HUD Secretary for the HUD-VASH program and changes in Opportunity Home policy as may be required to implement the HUD-VASH program.
- (3) All regulations of 24 CFR part 982 apply to the HUD-VASH program unless the HUD Secretary has indicated otherwise. Throughout this chapter the designation “VAMC” shall mean the Opportunity Home’s partnering Veterans Affairs Medical Center(s) unless otherwise indicated.

19.6.B Requirements for Participants in the HUD-VASH Program

- (1) Notwithstanding Opportunity Home’s lack of authority to deny admission to the HUD-VASH applicants, all the requirements for participants in assisted housing programs and all the grounds for termination of participant families remain in effect.
- (2) The Opportunity Home’s right to disapprove a live-in aide also remains in effect.

19.6.C Family Eligibility for HUD-VASH Program

- (1) Partnering Veteran Affairs Medical Centers (VAMC) will refer HUD-VASH eligible families to Opportunity Home for the determination of income eligibility.
- (2) Written documentation of these referrals must be maintained in the tenant file at Opportunity Home.

19.6.D Waiting List and Preferences

- (1) Opportunity Home does not have the authority to maintain a waiting list or apply local preferences for HUD-VASH vouchers. The HUD Secretary has waived 24 CFR sections 982.202, 982.204, and 982.207 relating to applicant selections from the waiting list, cross listing of the waiting list and opening and closing the waiting list. 24 CFR sections 982.203, 982.205, and 982.206

regarding special admissions, cross-listing and opening and closing the waiting list also do not apply.

- (2) Opportunity Home will serve HUD-VASH clients as a category of families under Section 3.3, Non-Waiting List Admissions, of this Administrative Plan. Special Procedures for the HUD-VASH Program.

19.6.E Screening for Criminal History

- (1) The VAMC will screen all families in accordance with its screening criteria.
- (2) Opportunity Home does not have the authority to screen potentially eligible families or deny assistance because of criminal history for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception.
- (3) In accordance with 24 CFR 982.553(a)(2)(i), Opportunity Home shall conduct criminal history screening to determine whether any member of the household is subject to a lifetime registration required under a state sex offender registration program.
- (4) Opportunity Home shall prohibit admission of a family if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

19.6.F Income Eligibility

Opportunity Home will determine income eligibility for the HUD-VASH program as it does for the Housing Choice Voucher Program in accordance with 24 CFR 982.201.

19.6.G Income Targeting

- (1) Income targeting requirements of 24 CFR 982.201(b)(2) do not apply for HUD-VASH families.
- (2) Opportunity Home may choose to include the admission of extremely low income targeting numbers for the fiscal year in which these families are admitted to the HUD-VASH program.

- (a) Opportunity Home will screen HUD-VASH families under the low income targeting numbers.

19.6.H Initial Term of the Housing Choice Voucher

- (1) HUD-VASH vouchers must have an initial search term of 120 days, or such other number of days as may be designated by the Secretary of Housing and Urban Development for the HUD-VASH program. 24 CFR 982.303(a) which

states that the initial search term of a voucher must be at least 60 days shall not apply since the initial search term must be at least 120 days.

- (2) Therefore the Administrative plan limits the initial term of the voucher to 60 days shall not apply to the HUD-VASH program.

19.6.I Extensions

- (1) *Regular Extensions*, shall not apply to the HUD-VASH program.
- (2) Except where required as a reasonable accommodation, the HUD-VASH voucher will expire after the initial term of 120 days.

19.6.J Initial Lease Term

- (1) To provide a greater range of housing opportunities for HUD-VASH voucher holders, initial leases may be for periods of less than 12 months. The HUD Secretary has waived 24 CFR 982.309(a)(2)(ii).
- (2) Opportunity Home will continue to require an initial lease of 12 months.

19.6.K Units on Grounds of a Medical, Mental, or Similar Public or Private Institution

HUD-VASH families will be permitted to live on the grounds of a VAMC in units owned by the VA. The HUD Secretary has waived 24 CFR 982.352(a)(5) for this purpose only.

19.6.L HUD-VASH Portability

The HUD Secretary has made the following determinations with regard to portability in the HUD-VASH program.

- (1) HUD-VASH families must receive case management services provided by the VAMC to participate in the HUD-VASH program.
- (2) HUD-VASH families may only reside in those areas that are accessible to case management services as determined by the partnering VAMC.
- (3) Because the VAMC is responsible for identifying families eligible to participate in the HUD-VASH program, 24 CFR 982.353(a), (b), and (c) which affect where a family can lease unit with HCV assistance do not apply.
- (4) If the HUD-VASH family initially leases up, or moves, under portability and the family will receive case management services from the initial PHA's partnering VAMC, the receiving PHA must process the move in accordance with the portability procedures of 24 CFR 982.355.
- (5) The receiving PHA must bill the initial PHA. In these cases 24 CFR 982.355(d) is not applicable and the receiving PHA may not absorb the family.

- (6) If the HUD-VASH family wishes to move under the portability, but the initial PHA's partnering VAMC is unable to provide case management services, the initial PHA's partnering VAMC must first determine that the HUD-VASH family could be served by another VAMC that is participating in the HUD-VASH program.
- (7) The receiving PHA must have a HUD-VASH voucher available for the family.
- (8) The receiving PHA must absorb the family as a new admission (initial voucher), or as portability move in.
- (9) Upon absorption, the initial PHA's HUD-VASH voucher will be available to lease to a new HUD-VASH eligible family. The absorbed family will count towards the number of HUD-VASH slots awarded to the receiving PHA.

19.6.M Terminations and Denials

- (1) By agreeing to participate in the HUD-VASH program, Opportunity Home relinquishes its authority to deny assistance for any of the grounds permitted under 24 CFR 982.552 (broad authority to deny participation for violation of program requirements and for any grounds permitted under 24 CFR 982.553 except for the prohibition against registered sex offenders.
- (2) As a consequence all grounds for denial of participation including denial due to lack of citizenship, the family having committed fraud, owing money to any PHA and the like are not applicable to applicants to the HUD-VASH program.
- (3) As a condition of HCV rental assistance in the HUD-VASH program, a HUD-VASH family must receive case management services from a Veterans Affairs Medical Center (VAMC).
- (4) A HUD-VASH participant family's assistance must be terminated for failure to participate in case management services without good cause as verified by the VAMC.

19.6.N When Case Management is No Longer Needed

- (1) A VAMC determination that a participant HUD-VASH family no longer requires case management services is not grounds for termination of HUD-VASH assistance. So long as the family remains in compliance with other program regulations, it may receive continued assistance under the HUD-VASH program.
- (2) At its sole discretion, Opportunity Home may offer a HUD-VASH family that the VAMC certifies no longer needs case management services continued housing choice voucher (HCV) assistance through one of its regular vouchers in order to free up the HUD-VASH voucher for another HUD-VASH eligible family.

- (3) Under such circumstances, Opportunity Home shall conduct a full criminal history check to determine whether the family should be admitted to the program in accordance with the requirements of Chapter 13, Terminations and Denials, of this Administrative Plan. The family must meet citizenship and all other requirements to be admitted to the regular HCV program.

19.6.O HUD-VASH Voucher Transfer Due to Death of Head of Household [HUD-VASH Qs & As SUPPLEMENT TO FR 5/6/08]

If the head of household (veteran) dies, the voucher would remain with the remaining members of the tenant family. Opportunity Home could use one of its own vouchers, if available, to continue assisting this family and free up a voucher for another HUD-VASH eligible family. If a regular voucher is not available, the family would continue utilizing the HUD-VASH voucher. Once the HUD-VASH voucher turns over, however, it must go to a homeless veteran family.

19.6.P Turnover of HUD-VASH Vouchers

In accordance with the 2008 Appropriations Act of 2008, upon turnover, HUD-VASH vouchers must be issued only to eligible families identified by the partnering VAMC. Opportunity Home cannot use HUD-VASH vouchers for any other purpose.

19.7 Family Self-Sufficiency Program

- 19.7.A** In accordance with HUD regulations, Opportunity Home operates a Family Self-Sufficiency (FSS) Program. Policies for the Family Self Sufficiency Program are contained in Opportunity Home’s Family Self Sufficiency Action Plan which is published separately from this Administrative Plan.
- 19.7.B** Families are not added to the waiting list under this program; they may volunteer to participate in this program after admission to the HCV Program.



A COMMUNITY OF POSSIBILITIES

**HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

CHAPTER 20

SPECIAL PURPOSE VOUCHERS

CHAPTER 20: Special Purpose Vouchers

Opportunity Home administers Special Purpose Vouchers with local Continuums of Care (CoCs) and other partners to provide opportunities to provide rental assistance resources to specific populations. Special Purpose Vouchers administered by Opportunity Home include the Emergency Housing Voucher (EHV), Foster Youth to Independence (FYI), and Stability Vouchers (SV).

The Emergency Housing Voucher (EHV) program is funded through the American Rescue Plan Act (ARPA) and provides HCVs to assist individuals and families who are homeless, at risk of homelessness, fleeing, or attempting to flee, domestic violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

The Foster Youth to Independence (FYI) initiative provides HCVs to individuals in partnership with Public Child Welfare Agencies (PCWAs). FYI vouchers assist youth who have exited foster care or will exit foster care and are experiencing or are at-risk of homelessness.

Stability Vouchers (SVs) are administered in partnership with local CoCs to assist households experiencing or at risk of homelessness, those fleeing or attempting to flee domestic violence, dating violence, dating violence, sexual assault, stalking, human trafficking, and veterans and families that include a veteran member that meets outlined criteria.

This chapter describes HUD regulations and PHA policies for administering EHV, FYI, and SV vouchers.

PART 1: Emergency Housing Vouchers

PART 2: Foster Youth to Independence Vouchers

PART 3: Stability Vouchers

PART 4: Income-Based Housing Assistance

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to EHV, FYI, and Stability Vouchers.

20.1 Emergency Housing Vouchers

20.1.A Funding

(1) Funding Overview

(a) The American Rescue Plan Act of 2021 (ARP) provides administrative fees and funding for the costs of administering emergency housing vouchers (EHVs) and other eligible expenses defined in Notice PIH 2021-15. These fees may only be used for EHV administration and other eligible expenses and must not be used for or applied to other PHA programs or vouchers. The PHA must maintain separate financial records from its regular HCV funding for all EHV funding.

(b) Housing Assistance Payments (HAP) Funding

(i) ARP funding obligated to the PHA as housing assistance payments (HAP) funding may only be used for eligible EHV HAP expenses (i.e., rental assistance payments). EHV HAP funding may not be used for EHV administrative expenses or for the eligible uses under the EHV services fee.

(ii) The initial funding term will expire December 31, 2022. HUD will provide renewal funding to the PHA for the EHVs on a calendar year (CY) basis commencing with CY 2023. The renewal funding allocation will be based on the PHA's actual EHV HAP costs in leasing, similar to the renewal process for the regular HCV program. EHV renewal funding is not part of the annual HCV renewal funding formula; EHVs are renewed separately from the regular HCV program. All renewal funding for the duration of the EHV program has been appropriated as part of the ARP funding.

(c) Administrative Fee and Funding

(i) The following four types of fees and funding are allocated as part of the EHV program:

(A) Preliminary Fees

Support immediate start-up costs that the PHA will incur in implementing alternative requirements under EHV, such as outreach and coordination with partnering agencies:

- (1) \$400 per EHV allocated to the PHA, once the consolidated annual contributions contract (CACC) is amended.
- (2) This fee may be used for any eligible administrative expenses related to EHVs.

- (3) The fee may also be used to pay for any eligible activities under EHV service fees (TPSI.B).

(B) Placement Fees/Expedited Issuance Reporting Fees

Support initial lease-up costs and the added cost and effort required to expedite leasing of EHV:

- (1) ~~\$100~~ for each EHV initially leased, if the PHA reports the voucher issuance date in the Public Housing Information Center–Next Generation (PIC–NG) system within 14 days of voucher issuance or the date the system becomes available for reporting.

(2) Placement fees:

- (a) ~~\$500~~ for each EHV family placed under a HAP contract effective within four months of the effective date of the ACC funding increment; or
- (b) ~~\$250~~ for each EHV family placed under a HAP contract effective after four months but less than six months after the effective date of the ACC funding increment.
- (c) HUD will determine placement fees in the event of multiple EHV allocations and funding increment effective dates.

- (3) Placement/expedited issuance fees only apply to the initial leasing of the voucher; they are not paid for family moves or to turnover vouchers.

(C) Ongoing Administrative Fees

Calculated in the same way as the standard HCV program:

- (1) PHAs are allocated administrative fees using the full column A administrative fee amount for each EHV under contract as of the first day of each month.
- (2) Ongoing EHV administrative fees may be subject to proration in future years, based on available EHV funding.

(D) Services Fees

A one-time fee to support PHAs' efforts to implement and operate an effective EHV services program in its jurisdiction (TPS-I.B):

- (1) The fee is allocated once the PHA's CACC is amended to reflect EHV funding.
- (2) The amount allocated is \$3,500 for each EHV allocated.

20.1.B Service Fees

- (1) Services fee funding must be initially used for defined eligible uses and not for other administrative expenses of operating the EHV program. Service fees fall into four categories:
 - (a) Housing search assistance
 - (b) Security deposit/utility deposit/rental application/holding fee uses
 - (c) Owner-related uses
 - (d) Other eligible uses such as moving expenses or tenant-readiness services
- (2) The PHA must establish the eligible uses and the parameters and requirements for service fees in the PHA's administrative plan.

(a) The eligible uses for service fees include:

- (i) Housing Search Assistance
- (ii) Moving Expenses
- (iii) Application Fee
- (iv) Security Deposit Assistance
- (v) Owner Incentive Payment
- (vi) Renter's Insurance

- (3) Any services fee assistance that is returned to the PHA after its initial or subsequent use may only be applied to the eligible services fee uses defined in Notice PIH 2021-15 (or subsequent notice) or other EHV administrative costs. Any amounts not expended for these eligible uses when the PHA's EHV program ends must be remitted to HUD.

20.1.C Partnering Agencies

(1) Continuum of Care (CoC)

- (a) PHAs that accept an allocation of EHV's are required to enter into a Memorandum of Understanding (MOU) with the Continuum of Care (CoC) to establish a partnership for the administration of EHV's.

- (i) Opportunity Home has entered into an MOU with Close to Home.

(2) Other Partnering Organizations

- (a) The PHA may, but is not required to, partner with other organizations trusted by persons experiencing homelessness, such as victim services providers (VSPs) and other community partners. If the PHA chooses to partner with such agencies, the PHA must either enter into an MOU with the partnering agency or the partnering agency may be added to the MOU between the PHA and CoC.

- (i) Opportunity Home has added the following partners to the MOU between Opportunity Home and Close to Home:

- (A) American GI Forum (AGIF)
- (B) BEAT AIDS
- (C) Catholic Charities San Antonio
- (D) Center for Health Care Services
- (E) City of San Antonio (COSA)
- (F) Endeavors
- (G) Family Violence Prevention Shelter
- (H) Haven for Hope
- (I) Providence Place
- (J) Roy Maas Youth Alternatives
- (K) San Antonio AIDS Foundation
- (L) SA Hope Center
- (M) SAMMinistries
- (N) The Society of St. Vincent de Paul San Antonio
- (O) The Salvation Army

- (P) Thrive
- (Q) The University of Texas at San Antonio (UTSA)
- (R) Veterans Affairs (VA)
- (S) Youth Center of Texas
- (T) Family Violence Prevention Shelter

20.1.D Referrals

(1) CoC and Partnering Agency Referrals

- (a) The primary responsibility of the CoC under the MOU with the PHA is to make direct referrals of qualifying individuals and families to the PHA. The PHA must generally refer a family that is seeking EHV assistance directly from the PHA to the CoC or other referring agency for initial intake, assessment, and possible referral for EHV assistance. Partner CoCs are responsible for determining whether the family qualifies under one of the four eligibility categories for EHV. The CoC or other direct referral partner must provide supporting documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance.

- (i) Close to Home must establish and implement a system to identify EHV eligible individuals and families within the agency's caseload and make referrals to Opportunity Home. Close to Home must certify that the EHV applicants they refer to Opportunity Home meet at least one of the four EHV eligibility criteria. Opportunity Home will maintain a copy of the referral or certification from Close to Home in the participant's file along with other eligibility paperwork.
- (ii) As part of the MOU, Opportunity Home and Close to Home will identify staff positions to serve as lead EHV liaisons. These positions will be responsible for transmission and acceptance of referrals. Close to Home must commit sufficient staff and resources to ensure eligible individuals and families are identified and determined eligible in a timely manner.
- (iii) The Opportunity Home liaison responsible for acceptance of referrals will contact the Close to Home liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. Close to Home will provide Opportunity Home with a list of eligible referrals including the

name, address, and contact phone number for each adult individual who is being referred; a completed release form for each adult family member; and a written certification for each referral indicating they are EHV-eligible.

(2) Offers of Assistance with CoC Referral

- (a) The PHA may make an EHV available without a referral from the CoC or other partnering organization in order to facilitate an emergency transfer under VAWA in accordance with Exhibit 16-2: Opportunity Home Emergency Transfer Plan.
- (b) The PHA must also take direct referrals from outside the CoC if:
 - (i) The CoC does not have a sufficient number of eligible families to refer to the PHA; or
 - (ii) The CoC does not identify families that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking.
- (c) If at any time the PHA is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC or other partner referral agencies (or the PHA and CoC cannot identify any such alternative referral partner agencies), HUD may permit the PHA on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible families to the EHV program in lieu of or in addition to direct referrals in those circumstances.

20.1.E Waiting List Management

(1) HCV Waiting List

- (a) The regulation that requires the PHA to admit applicants as waiting list admissions or special admissions in accordance with admission policies in Chapter 4 does not apply to PHAs operating the EHV program. Direct referrals are not added to the PHA's HCV waiting list.
- (b) The PHA must inform families on the HCV waiting list of the availability of EHV by, at a minimum, either by posting the information to their website or providing public notice in their respective communities in accordance with the requirements listed in Notice PIH 2021-15.

- (i) Opportunity Home will post information about the EHV program for families on the HCV waiting list on Opportunity Home's website. The notice will:
 - (A) Describe the eligible populations to which EHV's are limited.
 - (B) Clearly state that the availability of these EHV's is managed through a direct referral process.
 - (C) Advise the family to contact the CoC (or any other PHA referral partner, if applicable) if the family believes they may be eligible for EHV assistance.
- (ii) Opportunity Home will ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. Opportunity Home will also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

20.1.F EHV Waiting List

- (1) The HCV regulations requiring the PHA to operate a single waiting list for admission to the HCV program do not apply to PHAs operating the EHV program. Instead, when the number of applicants referred by the CoC or partnering agency exceeds the EHV's available, the PHA must maintain a separate waiting list for EHV referrals, both at initial leasing and for any turnover vouchers that may be issued prior to September 30, 2023.
- (2) Further, the EHV waiting list is not subject to PHA policies in Chapter 4 regarding opening and closing the HCV waiting list. The PHA will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

20.1.G Preferences

- (1) **HCV Waiting List Preferences**
 - (a) If local preferences are established by the PHA for HCV, they do not apply to EHV's. However, if the PHA has a homeless preference or a VAWA preference for the HCV waiting list, the PHA must adopt additional policies related to EHV's in accordance with Notice PIH 2021-15.

- (i) Opportunity Home does not offer either a homeless or VAWA preference for the HCV waiting list.

(2) **EHV Waiting List Preferences**

- (a) With the exception of a residency preference, the PHA may choose, in coordination with the CoC and other referral partners, to establish separate local preferences for EHV. The PHA may, however, choose to not establish any local preferences for the EHV waiting list.

- (i) No local preferences have been established for the EHV waiting list.

20.1.H Family Eligibility

(1) **Overview**

- (a) The CoC or referring agency determines whether the individual or family meets any one of the four eligibility criteria described in Notice PIH 2021-15 and then refers the family to the PHA. The PHA determines that the family meets other eligibility criteria for the HCV program, as modified for the EHV program and outlined below.

20.1.I Referring Agency Determination of Eligibility

- (1) In order to be eligible for an EHV, an individual or family must meet one of four eligibility criteria:
 - (a) Homeless as defined in 24 CFR 578.3;
 - (b) At risk of homelessness as defined in 24 CFR 578.3;
 - (c) Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking (as defined in Notice PIH 2021-15), or human trafficking (as defined in the 22 U.S.C. Section 7102); or
 - (d) Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability as determined by the CoC or its designee in accordance with the definition in Notice PIH 2021-15.
- (2) As applicable, the CoC or referring agency must provide documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance. The PHA must retain this documentation as part of the family's file.

20.1.J PHA Screening

(1) Overview

- (a) HUD waived 24 CFR 982.552 and 982.553 in part for the EHV applicants and established alternative requirement for mandatory and permissive prohibitions of admissions. Except where applicable, PHA policies regarding denials in Chapter 3 of this policy do not apply to screening individuals and families for eligibility for an EHV. Instead, the EHV alternative requirement listed in this section will apply to all EHV applicants.
- (b) The mandatory and permissive prohibitions listed in Notice PIH 2021-15 and in this chapter, however, apply only when screening the individual or family for eligibility for an EHV. When adding a family member after the family has been placed under a HAP contract with EHV assistance, the regulations at 24 CFR 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and may apply its regular HCV screening criteria in Chapter 3 in doing so.

(2) Mandatory Denials

- (a) Under alternative requirements for the EHV program, mandatory denials for EHV applicants include:
 - (i) 24 CFR 982.553(a)(1)(ii)(C), which prohibits admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
 - (ii) 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.
- (b) The PHA must deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information as required by 24 CFR 982.552(b)(3) but should notify the family of the limited EHV grounds for denial of admission first.

- (i) While Opportunity Home will deny admission to the program if any adult member (or head of household or spouse, regardless of age) fails to sign and submit consent forms, Opportunity Home will first notify the family of the limited EHV grounds for denial of admission as part of the notice of denial that will be mailed to the family.

(3) **Permissive Denials**

- (a) Notice PIH 2021-15 lists permissive prohibitions for which the PHA may, but is not required to, deny admission to EHV families. The notice also lists prohibitions that, while allowable under the HCV program, may not be used to deny assistance for EHV families.
- (b) If the PHA intends to establish permissive prohibition policies for EHV applicants, the PHA must first consult with its CoC partner to understand the impact that the proposed prohibitions may have on referrals and must take the CoC's recommendations into consideration.

- (i) In consultation with Close to Home, Opportunity Home will apply permissive prohibition to the screening of EHV applicants. Determinations using permissive prohibitions will be made based on an individualized assessment of relevant mitigating information in accordance with policies in Section 3-III.E.
- (ii) Opportunity Home will establish the following permissive prohibitions:
 - (A) If the PHA determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
 - (1) Violent criminal activity
 - (2) Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity
 - (B) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the previous 12 months.
 - (C) If the family engaged in or threatened abusive or violent behavior toward Opportunity Home personnel within the previous 12 months.
- (iii) The PHA will also deny assistance to household members already receiving assistance from another program in accordance with Section 9.h. of Notice PIH 2021-15.
- (iv) Prohibitions based on criminal activity for the eligible EHV populations regarding drug possession will be considered apart from criminal activity against persons (i.e., violent criminal activity).

- (v) In compliance with PIH 2021-15, Opportunity Home will not deny an EHV applicant admission regardless of whether:
 - (A) Any member of the family has been evicted from federally assisted housing in the last five years;
 - (B) A PHA has ever terminated assistance under the program for any member of the family;
 - (C) The family currently owes rent or other amounts to Opportunity Home or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;
 - (D) The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
 - (E) The family breached an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA;
 - (F) The family would otherwise be prohibited admission under alcohol abuse standards established by Opportunity Home in accordance with 24 CFR 982.553(a)(3);
 - (G) Opportunity Home determines that any household member is currently engaged in or has engaged in, during a reasonable time before the admission, drug-related criminal activity.

20.1.K Income Verification at Admission

(1) Self-Certification at Admission

- (a) The requirement to obtain third-party verification of income in accordance with Notice PIH 2018-18 does not apply to the EHV program applicants at admission, and alternatively, PHAs may consider self-certification the highest form of income verification at admission. As such, PHA policies related to the verification of income in Section 7-I.B. do not apply to EHV families at admission. Instead, applicants must submit an affidavit attesting to their reported income, assets, expenses, and other factors that would affect an income eligibility determination.
- (b) Additionally, applicants may provide third-party documentation that 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.

- (i) Any documents used for verification must be the original (not photocopies) and dated within the 60-day period prior to admission. The documents must not be damaged, altered, or in any way illegible.
- (ii) Printouts from webpages are considered original documents.
- (iii) Any family self-certifications must be made in a format acceptable to Opportunity Home and must be signed by the family member whose information or status is being verified. The certification must be signed in the presence of a notary public (e.g., an affidavit).
- (iv) Opportunity Home will incorporate additional procedures to remind families of the obligation to provide true and complete information in accordance with Chapter 14.
- (v) Opportunity Home will address any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later.
- (vi) Opportunity Home may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, Opportunity Home will terminate the family's assistance in accordance with the policies in Chapter 12.

(2) **Recently Conducted Income Determinations**

- (a) PHAs may accept income calculations and verifications from third-party providers or from an examination that the PHA conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as:
 - (i) The income was calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months; and
 - (ii) The family certifies there has been no change in income or family composition in the interim.

- (A) Opportunity Home will accept income calculations and verifications from third-party providers provided they meet the criteria outlined above.
- (B) The family certification must be made in a format acceptable to Opportunity Home and must be signed by all adult family members whose information or status is being verified.

- (b) At the time of the family’s annual reexamination, the PHA must conduct the annual reexamination of income as outlined at 24 CFR 982.516 and PHA policies in Chapter 11.
- (3) **EIV Income Validation**
 - (a) Once HUD makes the EIV data available to PHAs under this waiver and alternative requirement, the PHA must:
 - (i) Review the EIV Income and Income Validation Tool (IVT) reports to confirm and validate family-reported income within 90 days of the PIC submission date;
 - (ii) Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
 - (iii) Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.
 - (b) Prior to admission, PHAs must continue to use HUD’s EIV system to search for all household members using the Existing Tenant Search in accordance with PHA policies in Chapter 3.
 - (c) If a PHA later determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program in accordance with Chapter 12.

20.1.L Social Security Number and Citizenship Status Verification

- (1) For the EHV program, the PHA is not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program. Instead, PHAs may adopt policies to admit EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. As an alternative requirement, such individuals must provide the required documentation within 180 days of admission to be eligible for continued assistance, pending verification, unless the PHA provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.
- (2) If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.
 - (a) Opportunity Home will admit EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. These individuals must provide the

required documentation in accordance with policies in Chapter 7 within 180 days of admission. Opportunity Home may provide an additional 60-day extension based on evidence from the family or confirmation from Close to Home that the family has made a good-faith effort to obtain the documentation.

- (b) If Opportunity Home determines that an ineligible family received assistance, Opportunity Home will take steps to terminate that family from the program in accordance with policies in Chapter 12.

20.1.M Age and Disability Verification

- (1) PHAs may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. If self-certification is used, the PHA must obtain a higher level of verification within 90 days of admission or verify the information in EIV.
- (2) If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

- (a) Opportunity Home will accept self-certification of date of birth and disability status if a higher form of verification is not immediately available. The certification must be made in a format acceptable to Opportunity Home and must be signed by the family member whose information or status is being verified.

- (b) If self-certification is accepted, within 90 days of admission, Opportunity Home will verify the information in EIV or, if the information is not available in EIV, through other third-party verification. Opportunity Home will note in the family's file that self-certification was used as initial verification and include an EIV printout or other third-party verification confirming the applicant's date of birth and/or disability status.

- (c) If Opportunity Home determines that an ineligible family received assistance, Opportunity Home will take steps to terminate that family from the program in accordance with policies in Chapter 12.

20.1.N Income Targeting

- (1) The PHA must determine income eligibility for EHV families in accordance with 24 CFR 982.201 and PHA policy in Chapter 3; however, income targeting requirements do not apply for EHV families. The PHA may still choose to

include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

- (a) Opportunity Home will include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

20.1.O Housing Search and Leasing

(1) Initial Voucher Term

- (a) Unlike the standard HCV program, which requires an initial voucher term of at least 60 days, EHV vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

- (i) All EHV's will have an initial term of 120 calendar days.
- (ii) The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless Opportunity Home grants an extension.

20.1.P Housing Search Assistance

- (1) The PHA must ensure housing search assistance is made available to EHV families during their initial housing search. The housing search assistance may be provided directly by the PHA or through the CoC or another partnering agency or entity.
- (2) At a minimum, housing search assistance must:
 - (a) Help individual families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods;
 - (b) Provide transportation assistance and directions to potential units;
 - (c) Conduct owner outreach;
 - (d) Assist with the completion of rental applications and PHA forms; and
 - (e) Help expedite the EHV leasing process for the family.

- (i) As identified in the MOU between Opportunity Home and Close to Home, the following housing search assistance will be provided to each EHV family:

(A) Opportunity Home will:

- (1) Conduct owner outreach in accordance with policies in Chapter 13.
- (2) Provide directions to potential units as part of the EHV briefing packet.
- (3) Expedite the EHV leasing process for the family to the extent practicable and in accordance with policies in this chapter.
- (4) At least every 30 days, conduct proactive check-ins via email and telephone with families who are searching with an EHV and remind them of their voucher expiration date.
- (5) Assign a dedicated landlord liaison for EHV voucher families.

(B) Close to Home will:

- (1) Help families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods.
- (2) Provide transportation assistance to potential units.
- (3) Assist the family with the completion of rental applications and PHA forms.

20.1.Q HQS Pre-Inspections

- (1) To expedite the leasing process, PHAs may pre-inspect available units that EHV families may be interested in leasing in order to maintain a pool of eligible units.

- (a) To expedite the leasing process, Opportunity Home may pre-inspect available units that EHV families may be interested in leasing to maintain a pool of eligible units. If an EHV family selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305.

- (b) The family will be free to select their unit.

- (c) When a pre-inspected unit is not selected, Opportunity Home will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for any required reinspections.

20.1.R Initial Lease Term

- (1) Unlike in the standard the HCV program, EHV voucher holders may enter into an initial lease that is for less than 12 months, regardless of the PHA policy in Section 9-I.E., Term of Assisted Tenancy.

20.1.S Portability

- (1) The normal HCV portability procedures and requirements outlined in Chapter 10 generally apply to EHV. Exceptions are addressed below.

- (2) **Nonresident Applicants**

- (a) Under EHV, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied, regardless of PHA policy in Section 10-II.B.

- (3) **Billing and Absorption**

- (a) A receiving PHA cannot refuse to assist an incoming EHV family, regardless of whether the PHA administers EHV under its own ACC.
 - (i) If the EHV family moves under portability to another PHA that administers EHV under its own ACC:
 - (A) The receiving PHA may only absorb the incoming EHV family with an EHV (assuming it has an EHV voucher available to do so).
 - (B) If the PHA does not have an EHV available to absorb the family, it must bill the initial PHA. The receiving PHA must allow the family to lease the unit with EHV assistance and may not absorb the family with a regular HCV when the family leases the unit.
 - (C) Regardless of whether the receiving PHA absorbs or bills the initial PHA for the family's EHV assistance, the EHV administration of the voucher is in accordance with the receiving PHA's EHV policies.
 - (ii) If the EHV family moves under portability to another PHA that does not administer EHV under its own ACC, the receiving PHA

may absorb the family into its regular HCV program or may bill the initial PHA.

(4) Family Briefing

- (a) In addition to the applicable family briefing requirements at 24 CFR 982.301(a)(2) as to how portability works and how portability may affect the family's assistance, the initial PHA must inform the family how portability may impact the special EHV services and assistance that may be available to the family.
- (b) The initial PHA is required to help facilitate the family's portability move to the receiving PHA and inform the family of this requirement in writing, taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP).
 - (i) In addition to following agency policy on briefings in Chapter 5, as part of the briefing packet for EHV families, Opportunity Home will include a written notice that Opportunity Home will assist the family with moves under portability.
 - (ii) For limited English proficient (LEP) applicants, Opportunity Home will provide interpretation services in accordance with the PHA's LEP plan (See Chapter 2).

(5) Coordination of Services

- (a) If the portability move is in connection with the EHV family's initial lease-up, the receiving PHA and the initial PHA must consult and coordinate the EHV services and assistance that will be made available to the family.
 - (i) For EHV families who are exercising portability, when the PHA contacts the receiving PHA in accordance with Section 10-II.B. Preapproval Contact with Receiving PHA, the PHA will consult and coordinate with the receiving PHA to ensure there is no duplication of EHV services and assistance, and ensure the receiving PHA is aware of the maximum amount of services fee funding that the initial PHA may provide to the receiving PHA on behalf of the family.

(6) Services Fee

- (a) Standard portability billing arrangements apply for HAP and ongoing administrative fees for EHV families.
- (b) For service fees funding, the amount of the service fee provided by the initial PHA may not exceed the lesser of the actual cost of the services

and assistance provided to the family by the receiving PHA or \$1,750, unless the initial PHA and receiving PHA mutually agree to change the \$1,750 cap. Service fees are paid as follows:

- (i) If the receiving PHA, in consultation and coordination with the initial PHA, will provide eligible services or assistance to the incoming EHV family, the receiving PHA may be compensated for those costs by the initial PHA, regardless of whether the receiving PHA bills or absorbs.
- (ii) If the receiving PHA administers EHV, the receiving PHA may use its own services fee and may be reimbursed by the initial PHA, or the initial PHA may provide the services funding upfront to the receiving PHA for those fees and assistance.
- (iii) If the receiving PHA does not administer EHV, the initial PHA must provide the services funding upfront to the receiving PHA. Any amounts provided to the receiving PHA that are not used for services or assistance on behalf of the EHV family must promptly be returned by the receiving PHA to the initial PHA.

(7) Placement Fee/Issuance Reporting Fee

- (a) If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving PHA receives the full amount of the placement component of the placement fee/issuing reporting fee. The receiving PHA is eligible for the placement fee regardless of whether the receiving PHA bills the initial PHA or absorbs the family into its own program at initial lease-up. The initial PHA qualifies for the issuance reporting component of the placement fee/issuance reporting fee, as applicable.

20.1.T Payment Standards

(1) Payment Standard Schedule

- (a) For the EHV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, the PHA may, but is not required to, establish separate higher payment standards for EHV. Lower EHV payment standards are not permitted. If the PHA is increasing the regular HCV payment standard, the PHA must also increase the EHV payment standard if it would be otherwise lower than the new regular HCV payment standard. The separate EHV payment standard must comply with all other HCV requirements with the exception of the alternative requirements discussed below.

- (b) Further, if the PHA chooses to establish higher payments standards for EHV, HUD has provided other regulatory waivers:
 - (i) Defining the “basic range” for payment standards as between 90 and 120 percent of the published Fair Market Rent (FMR) for the unit size (rather than 90 to 110 percent).
 - (ii) Allowing a PHA that is not in a designated Small Area FMR (SAFMR) area or has not opted to voluntarily implement SAFMRs to establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD published SAFMRs. The PHA may establish an exception payment standard up to 120 percent (as opposed to 110 percent) of the HUD published Small Area FMR for that ZIP code area. The exception payment standard must apply to the entire ZIP code area.
 - (A) The PHA must notify HUD if it establishes an EHV exception payment standard based on the SAFMR.

(1) Opportunity Home will establish a payment standard between 90 percent and 120 percent of SAFMRs.

(2) **Rent Reasonableness**

- (a) All rent reasonableness requirements apply to EHV units, regardless of whether the PHA has established an alternative or exception EHV payment standard.

(3) **Increases in Payment Standards**

- (a) The requirement that the PHA apply increased payment standards at the family’s first regular recertification on or after the effective date of the increase does not apply to EHV. The PHA may, but is not required to, establish an alternative policy on when to apply the increased payment standard, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family’s first regular reexamination following the change.

(i) Opportunity Home will not establish an alternative policy for increases in the payment standard. Opportunity Home’s policy in Section 11.3.B governing increases in payment standards will apply to EHV.

20.1.U Termination of Vouchers

- (1) After September 30, 2023, a PHA may not reissue EHV when assistance for an EHV-assisted family ends. This means that when an EHV participant (a family that is receiving rental assistance under a HAP contract) leaves the program for any reason, the PHA may not reissue that EHV to another family unless it does so no later than September 30, 2023.
- (2) If an applicant family that was issued the EHV is unsuccessful in finding a unit and the EHV expires after September 30, 2023, the EHV may not be reissued to another family.
- (3) All EHV under lease on or after October 1, 2023, may not under any circumstances be reissued to another family when the participant leaves the program for any reason.
- (4) An EHV that has never been issued to a family may be initially issued and leased after September 30, 2023, since this prohibition only applies to EHV that are being reissued upon turnover after assistance to a family has ended. However, HUD may direct PHAs administering EHV to cease leasing any unleased EHV if such action is determined necessary by HUD to ensure there will be sufficient funding available to continue to cover the HAP needs of currently assisted EHV families.

20.1.V Use of Funds, Reporting, and Financial Records

EHV funds allocated to the PHA for HAP (both funding for the initial allocation and HAP renewal funding) may only be used for eligible EHV HAP purposes. EHV HAP funding obligated to the PHA may not be used for EHV administrative expenses or the other EHV eligible expenses under this notice. Likewise, EHV administrative fees and funding obligated to the PHA are to be used for those purposes and must not be used for HAP.

The appropriated funds for EHVs are separate from the regular HCV program and may not be used for the regular HCV program but may only be expended for EHV eligible purposes. EHV HAP funds may not roll into the regular HCV restricted net position (RNP) and must be tracked and accounted for separately as EHV RNP. EHV administrative fees and funding for other eligible expenses permitted by Notice PIH 2021-15 may only be used in support of the EHVs and cannot be used for regular HCVs. EHV funding may not be used for the repayment of debts or any amounts owed to HUD by HUD program participants including, but not limited to, those resulting from Office of Inspector General (OIG), Quality Assurance Division (QAD), or other monitoring review findings.

The PHA must comply with EHV reporting requirements in the Voucher Management System (VMS) and Financial Data Schedule (FDS) as outlined in Notice PIH 2021-15.

The PHA must maintain complete and accurate accounts and other records for the program and provide HUD and the Comptroller General of the United States full and free access to all accounts and records that are pertinent the administration of the EHVs in accordance with the HCV program requirements at 24 CFR 982.158.

20.2 Foster Youth to Independence (FYI) Vouchers

20.2.A Overview

- (1) Through the Foster Youth to Independence (FYI) initiative, HUD provides Housing Choice Vouchers (HCVs) for youth eligible under the Family Unification Program (FUP).
- (2) On September 3, 2021, HUD issued Notice PIH 2021-26, which described HUD's funding and availability of FYI vouchers and set forth the operating requirements for PHAs that administer them. The FYI Program is for youth with a current or prior history of child welfare involvement.
- (3) The Further Consolidated Appropriations Act, 2020 (Public Law 116-94), enacted on December 20, 2019, provides that up to \$10 million shall be available on a non-competitive basis to PHAs that partner with public child welfare agencies (PCWAs) for FUP-eligible youth under Section 8(x) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(x)).
- (4) All applicable nondiscrimination and equal opportunity requirements apply to FYI vouchers, including requirements that the PHA grant reasonable accommodations to persons with disabilities, effectively communicate with persons with disabilities, and ensure meaningful access for persons with limited English proficiency (LEP).
- (5) Except as addressed by this chapter and as required under federal statute and HUD requirements, the requirements of the HCV program apply to FYI vouchers.

20.2.B Program Administration

- (1) **Term of Assistance**
 - (a) FYI vouchers may only be used to provide housing assistance for youth for a maximum of 36 months.
 - (b) Youth may be eligible to receive an extension of their voucher assistance for up to 24 months beyond the 36 month time limit if they:
 - (i) Participate in an FSS Program;
 - (ii) Are unable to enroll in an FSS program, but are engaged in education, workforce development, or employment activities for at least nine months of the 12-month period preceding the extension;
 - (iii) If they are responsible for the care of a dependent child under the age of six or for the care of an incapacitated person; regularly

and actively participating in a drug addiction or alcohol treatment and rehabilitation program;

(iv) Are incapable of complying with the requirement to participate in an FSS program or engage in education, workforce development, or employment activities, as applicable, due to a documented medical condition.

(c) Families cannot be required to participate in the FSS program as a condition of the FYI voucher program.

(2) Rent Calculation

(a) Participants admitted to this program will follow the Agency's alternative implementation of small area fair market rents as established under FY2019-1: Local Small Area Fair Market Rent (SAFMR) Implementation.

(b) See 6.3.A(2)(c) for rent calculation requirements under the program.

(3) Youth Eligibility

(a) The partnering public child welfare agency (PCWA) is responsible for certifying that the youth:

(i) Has attained at least 18 years and not more than 24 years of age at the time the PCWA certifies them eligible or at the execution of the HAP contract;

(ii) Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;

(iii) Is homeless or is at risk of becoming homeless at age 16 or older.

(b) Eligibility is not limited to single persons. Opportunity Home may not exclude pregnant or parenting youth from service. Any pregnant or parenting youth who otherwise meets the definition of youth must be served.

(4) Organization of the Waiting List

(a) Opportunity Home, upon receipt of a referral(s) from the PCWA of an eligible youth, must compare the name(s) with youth already on the HCV waiting list.

(b) Any youth on the Opportunity Home HCV waiting list that matches with the PCWA's referral must be assisted in order of their position on the waiting list in accordance with Opportunity Home admission policies.

- (c) Any youth certified by the PCWA as eligible and not on the HCV waiting list must be placed on the waiting list (pending HCV eligibility determination).
- (d) If the Opportunity Home has a closed HCV waiting list, it must reopen the waiting list and place on the waiting list an FYI applicant youth who is not currently on the Opportunity Home HCV waiting list.
- (e) Opportunity Home may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants. The requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply.
- (f) Opportunity Home may establish waiting list preferences.
- (g) Opportunity Home will establish a waitlist preference for FYI voucher referrals from a PCWA (see 4.3.C).

(5) **Reexaminations**

- (a) Annual reexaminations must be conducted for extended FYI vouchers at the end of the 36 month time period and the 48 month time period (see 2.1.A).

(6) **Partnering Agencies**

- (a) Opportunity Home must enter into a partnership agreement with a PCWA that may take the form of a Memorandum of Understanding (MOU) or letter of intent.

(b) Opportunity Home has entered into an MOU with PCWA, Texas Department of Family and Protective Services (DFPS).

(7) **Supportive Services**

- (a) PCWAs partnered with Opportunity Home must provide supportive services for participating youth to assist them in achieving self sufficiency. Supportive services must be made available for a period of 36 months to eligible youth receiving this assistance. At a minimum, the following supportive services must be offered:
 - (i) Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation; and access to health care (e.g., doctors, medication, and mental and behavioral health services).
 - (ii) Counseling on compliance with rental lease requirements and with HCV program participant requirements, including

assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits.

- (iii) Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher.
 - (iv) Job preparation and attainment counseling (where to look/how to apply, dress, grooming, and relationships with supervisory personnel, etc.).
 - (v) Educational and career advancement counseling regarding attainment of general equivalency diploma (GED); attendance/financing of education at a technical school, trade school or college; including successful work ethic and attitude models.
- (8) **Terminations [24 CFR Part 982, Subpart L]**
- (a) Opportunity Home must terminate the FYI voucher once the 36-month time limit on assistance has expired.
 - (i) FYI vouchers extended in accordance with 2.1.A for either 48-months or 60-months, dependent on continued FSS program compliance and HCV program eligibility, must be terminated once the time limit on assistance has expired.
 - (b) Termination of an FYI voucher must be consistent with HCV regulations outlined in Chapter 12.
- (9) **Portability [24 CFR 982.353(c)]**
- (a) Portability for an FYI youth must be consistent with HCV regulations outlined in Chapter 10.

20.3 Stability Vouchers

20.3.A Funding Overview

- (10) The Consolidated Appropriations Act of 2021 and 2022, provides administrative fees for voucher assistance under Section 8(o) of the United States Housing Act of 1937 for use by individuals and families experiencing or at-risk of homelessness; those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, and veterans and families that include a veteran family member that meet one of the proceeding criteria. On August 16, 2022, HUD issued Notice PIH 2022-24 which described the allocation strategy and program requirements for the Stability Voucher program.

20.3.B Partnering Agencies

(1) Continuum of Care (CoC)

- (a) HUD established an alternative requirement under which PHAs must enter into a Memorandum of Understanding (MOU) with a CoC to establish a partnership with the CoC to pair SVs with CoC-funded supportive services; and to collaborate with the CoC and other stakeholders to develop a prioritization plan for these vouchers.

- (i) Opportunity Home has entered into an MOU with Close to Home.

(2) Other Partnering Organizations

- (a) The PHA must also take direct referrals from outside the CoC CE process if:
 - (i) The CE process does not have a sufficient number of eligible families to refer to fully lease the PHA's allocation of SVs; or
 - (ii) The CE process does not identify a sufficient number of families that may be eligible for SV assistance because they are fleeing, attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking.
- (3) In these instances, the PHA must enter into a partnership to receive direct referrals from another entity, like a victim services provider or another homeless services provider, that can certify that an individual meets one of the four eligibility categories. The PHA must enter into an MOU with the partnering referral agencies or can be added to the MOU between the PHA and CoC.

20.3.C Referrals

(1) CoC and Partnering Agency Referrals

(a) The primary responsibility of the CoC under the MOU with the PHA is to make direct referrals of qualifying individuals and families to the PHA and to identify any CoC-funded available supportive services that may be paired with SVs. The PHA must generally refer a family that is seeking SV assistance directly from the PHA to the CoC or other referring agency for initial intake, assessment, and possible referral for SV assistance. Partner CoCs are responsible for determining whether the family qualifies under one of the four eligibility categories for SVs. The CoC or other direct referral partner must provide supporting documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for SV assistance.

- (i) Close to Home must establish and implement a system to identify SV-eligible individuals and families within the agency's caseload and make referrals to Opportunity Home. Close to Home must certify that the SV applicants they refer to Opportunity Home meet at least one of the four SV eligibility criteria. Opportunity Home will maintain a copy of the referral or certification from Close to Home in the participant's file along with other eligibility paperwork.
- (ii) As part of the MOU, Opportunity Home and Close to Home will identify staff positions to serve as lead SV liaisons. These positions will be responsible for transmission and acceptance of referrals. Close to Home must commit sufficient staff and resources to ensure eligible individuals and families are identified and determined eligible in a timely manner.
- (iii) The Opportunity Home liaison responsible for acceptance of referrals will contact the Close to Home liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. Close to Home will provide Opportunity Home with a list of eligible referrals including the name, address, and contact phone number for each adult individual who is being referred; a completed release form for each adult family member; and a written certification for each referral indicating they are SV-eligible.

(2) **Offers of Assistance with CoC Referral**

- (a) Other than cases where a survivor of domestic violence, dating violence, sexual assault, stalking, or human trafficking is requesting an emergency transfer, the PHA must refer a family that is seeking SV assistance directly from the PHA to the CoC or other referring agency partner for initial intake, assessment, and possible referral for SV assistance.
- (c) If at any time the PHA is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC or other partner referral agencies (or the PHA and CoC cannot identify any such alternative referral partner agencies), the PHA must enter into a formal partnership with another entity, such as another homeless service provider and/or victim services provider, to receive referrals.

20.3.D Waiting List Management

(1) **HCV Waiting List**

- (a) The regulation that requires the PHA to admit applicants as waiting list admissions or special admissions in accordance with admission policies in Chapter 4 does not apply to PHAs operating the SV program. Direct referrals are not added to the PHA's HCV waiting list.
- (b) The PHA must inform families on the HCV waiting list of the availability of SVs by, at a minimum, either by posting the information to their website or providing public notice in their respective communities in accordance with the requirements listed in Notice PIH 2022-24.

- (i) Opportunity Home will post information about the SV program for families on the HCV waiting list on Opportunity Home's website. The notice will:
 - (A) Describe the eligible populations to which SVs are limited.
 - (B) Clearly state that the availability of these SVs is managed through a direct referral process.
 - (C) Advise the family to contact the CoC (or any other PHA referral partner, if applicable) if the family believes they may be eligible for SV assistance.
- (ii) Opportunity Home will ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. Opportunity Home will also take reasonable steps to

ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

20.3.E Stability Vouchers Waiting List

- (1) The HCV regulations requiring the PHA to operate a single waiting list for admission to the HCV program do not apply to PHAs operating the SV program. Instead, when the number of applicants referred by the CoC or partnering agency exceeds the SVs available, the PHA must maintain a separate waiting list for SV referrals.
- (2) Further, the SV waiting list is not subject to PHA policies in Chapter 4 regarding opening and closing the HCV waiting list. The PHA will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the SV waiting list.

20.3.F Preferences

(1) HCV and SV Waiting List Preferences

- (a) If local preferences are established by the PHA for HCV, they do not apply to SVs. Local preferences established by the PHA must be in accordance with Notice PIH 2022-24.
- (b) With the exception of a residency preference, the PHA may choose, in coordination with the CoC and other referral partners, to establish separate local preferences for SVs. The PHA may, however, choose to not establish any local preferences for the SV waiting list.

- (i) No local preferences have been established for the SV waiting list.

20.3.G Family Eligibility

(1) Overview

- (a) The CoC or referring agency determines whether the individual or family meets any one of the four eligibility criteria described in Notice PIH 2022-24 and then refers the family to the PHA.

20.3.H Referring Agency Determination of Eligibility

- (1) In order to be eligible for an SV, an individual or family must meet one of four eligibility criteria:
 - (a) Individuals and families who are currently experiencing homelessness;
 - (b) Individuals and families at risk of homelessness;
 - (c) Individuals and families fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault; and
 - (d) Veterans and families that include a veteran family that meet one of the preceding criteria (a-b).
- (2) For certifying eligibility for individuals, minor children, and families fleeing or attempting to flee domestic violence, sexual assault, stalking, or human trafficking, CoCs and VSPs may accept a survivors' self-definition of "fleeing or attempting to flee."
- (3) The CoC or referring agency must provide documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for SV assistance. The PHA must retain this documentation as part of the family's file.

20.3.I PHA Screening

- (1) **Overview**
 - (a) HUD waived 24 CFR 982.552 and 982.553 in part for SV applicants and established alternative requirements for mandatory and permissive prohibitions of admissions. Except where applicable, PHA policies regarding denials in Chapter 3 of this policy do not apply to screening individuals and families for eligibility for an SV. Instead, the SV alternative requirement listed in this section will apply to all SV applicants.
 - (b) The mandatory and permissive prohibitions listed in Notice PIH 2022-24 and in this chapter, however, apply only when screening the individual or family for eligibility for an SV. When adding a family member after the family has been placed under a HAP contract with SV assistance, the regulations at 24 CFR 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and may apply its regular HCV screening criteria in Chapter 3 in doing so.

(2) **Mandatory Denials**

- (a) Under alternative requirements for the SV program, mandatory denials for SV applicants include:
 - (i) 24 CFR 982.553(a)(1)(ii)(C), which prohibits admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
 - (ii) 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.
- (b) The PHA must deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information as required by 24 CFR 982.552(b)(3) but should notify the family of the limited SV grounds for denial of admission first.

(i) While Opportunity Home will deny admission to the program if any adult member (or head of household or spouse, regardless of age) fails to sign and submit consent forms, Opportunity Home will first notify the family of the limited SV grounds for denial of admission as part of the notice of denial that will be mailed to the family.

(3) **Permissive Denials**

- (a) Notice PIH 2022-24 lists permissive prohibitions for which the PHA may, but is not required to, deny admission to SV families. The notice also lists prohibitions that, while allowable under the HCV program, may not be used to deny assistance for SV families.
- (b) If the PHA intends to establish permissive prohibition policies for SV applicants, the PHA must first consult with its CoC partner to understand the impact that the proposed prohibitions may have on referrals and must take the CoC's recommendations into consideration.
- (c) The PHA must not deny SV applicant admission or otherwise exclude an SV applicant based on arrest records only.

(i) In consultation with Close to Home, Opportunity Home will apply permissive prohibition to the screening of SV applicants. Determinations using permissive prohibitions will be made based on an individualized assessment of relevant mitigating information in accordance with policies in Section 3-III.E.

- (ii) Opportunity Home will establish the following permissive prohibitions:
 - (A) If the PHA determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
 - (1) Violent criminal activity
 - (2) Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity
 - (B) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the previous 12 months.
 - (C) If the family engaged in or threatened abusive or violent behavior toward Opportunity Home personnel within the previous 12 months.
- (iii) The PHA will also deny assistance to household members already receiving assistance from another program in accordance with Notice PIH 2022-24.
- (iv) Prohibitions based on criminal activity for the eligible SV populations regarding drug possession will be considered apart from criminal activity against persons (i.e., violent criminal activity).
- (v) In compliance with PIH 2022-24, Opportunity Home will not deny an SV applicant admission regardless of whether:
 - (A) Any member of the family has been evicted from federally assisted housing;
 - (B) The PHA has ever terminated assistance under the program for any member of the family;
 - (C) The family currently owes rent or other amounts to Opportunity Home or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;
 - (D) The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;

- (E) The family breached an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA;
- (F) The family would otherwise be prohibited admission under alcohol abuse standards established by Opportunity Home in accordance with 24 CFR 982.553(a)(3);
- (G) Opportunity Home determines that any household member is currently engaged in or has engaged in, during a reasonable time before the admission, drug-related criminal activity.

20.3.J Income Verification at Admission

(1) Self-Certification at Admission

- (a) The requirement to obtain third-party verification of income in accordance with Notice PIH 2018-18 does not apply to the SV program applicants at admission, and alternatively, PHAs may consider self-certification the highest form of income verification at admission. As such, PHA policies related to the verification of income in Section 7-I.B. do not apply to SV families at admission. Instead, applicants must submit an affidavit attesting to their reported income, assets, expenses, and other factors that would affect an income eligibility determination.
- (b) Additionally, applicants may provide third-party documentation that 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.

- (i) Any documents used for verification must be the original (not photocopies) and dated within the 60-day period prior to admission. The documents must not be damaged, altered, or in any way illegible.
- (ii) Printouts from webpages are considered original documents.
- (iii) Any family self-certifications must be made in a format acceptable to Opportunity Home and must be signed by the family member whose information or status is being verified. The certification must be signed in the presence of a notary public (e.g., an affidavit).

- (iv) Opportunity Home will incorporate additional procedures to remind families of the obligation to provide true and complete information in accordance with Chapter 14.
- (v) Opportunity Home will address any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later.
- (vi) Opportunity Home may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, Opportunity Home will terminate the family's assistance in accordance with the policies in Chapter 12.

(2) **Recently Conducted Income Determinations**

- (a) PHAs may accept income calculations and verifications from third-party providers or from an examination that the PHA conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as:
 - (i) The income was calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months; and
 - (ii) The family certifies there has been no change in income or family composition in the interim.

- (A) Opportunity Home will accept income calculations and verifications from third-party providers provided they meet the criteria outlined above.
- (B) The family certification must be made in a format acceptable to Opportunity Home and must be signed by all adult family members whose information or status is being verified.

- (b) At the time of the family's annual reexamination, the PHA must conduct the annual reexamination of income as outlined at 24 CFR 982.516 and PHA policies in Chapter 11.

(3) **EIV Income Validation**

- (a) Once HUD makes the EIV data available to PHAs under this waiver and alternative requirement, the PHA must:
 - (i) Review the EIV Income and Income Validation Tool (IVT) reports to confirm and validate family-reported income within 90 days of the PIC submission date;

- (ii) Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
 - (iii) Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.
- (b) Prior to admission, PHAs must continue to use HUD's EIV system to search for all household members using the Existing Tenant Search in accordance with PHA policies in Chapter 3.
 - (c) If a PHA later determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program in accordance with Chapter 12.

20.3.K Social Security Number and Citizenship Status Verification

- (1) For the SV program, the PHA is not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the SV program. Instead, PHAs may adopt policies to admit SV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. As an alternative requirement, such individuals must provide the required documentation within 180 days of admission to be eligible for continued assistance, pending verification, unless the PHA provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.
- (2) If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

- (a) Opportunity Home will admit SV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. These individuals must provide the required documentation in accordance with policies in Chapter 7 within 180 days of admission. Opportunity Home may provide an additional 60-day extension based on evidence from the family or confirmation from Close to Home that the family has made a good-faith effort to obtain the documentation.
- (b) If Opportunity Home determines that an ineligible family received assistance, Opportunity Home will take steps to terminate that family from the program in accordance with policies in Chapter 12.

20.3.L Age and Disability Verification

- (1) PHAs may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. If self-certification is used, the PHA must obtain a higher level of verification within 90 days of admission or verify the information in EIV.
- (2) If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

- (a) Opportunity Home will accept self-certification of date of birth and disability status if a higher form of verification is not immediately available. The certification must be made in a format acceptable to Opportunity Home and must be signed by the family member whose information or status is being verified.
- (b) If self-certification is accepted, within 90 days of admission, Opportunity Home will verify the information in EIV or, if the information is not available in EIV, through other third-party verification. Opportunity Home will note in the family's file that self-certification was used as initial verification and include an EIV printout or other third-party verification confirming the applicant's date of birth and/or disability status.
- (c) If Opportunity Home determines that an ineligible family received assistance, Opportunity Home will take steps to terminate that family from the program in accordance with policies in Chapter 12.

20.3.M Income Targeting

- (1) The PHA must determine income eligibility for SV families in accordance with 24 CFR 982.201 and Opportunity Home policy in Chapter 3; however, income targeting requirements do not apply for SV families. The PHA may still choose to include the admission of extremely low-income SV families in its income targeting numbers for the fiscal year in which these families are admitted.

- (a) Opportunity Home will include the admission of extremely low-income SV families in its income targeting numbers for the fiscal year in which these families are admitted.

20.3.N Housing Search and Leasing

(1) Initial Voucher Term

- (a) Unlike the standard HCV program, which requires an initial voucher term of at least 60 days, SV vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

- (i) All SVs will have an initial term of 120 calendar days.
- (ii) The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless Opportunity Home grants an extension.

20.3.O HQS Pre-Inspections

- (1) To expedite the leasing process, PHAs may pre-inspect available units that SV families may be interested in leasing in order to maintain a pool of eligible units.

- (a) To expedite the leasing process, Opportunity Home may pre-inspect available units that SV families may be interested in leasing to maintain a pool of eligible units. If an SV family selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305.
- (b) The family will be free to select their unit.
- (c) When a pre-inspected unit is not selected, Opportunity Home will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for any required reinspections.

20.3.P Initial Lease Term

- (1) Unlike the standard HCV program, SV voucher holders may enter into an initial lease that is for less than 12 months, regardless of the PHA policy in Section 9-I.E., Term of Assisted Tenancy.

20.3.Q Portability

- (1) The normal HCV portability procedures and requirements outlined in Chapter 10 generally apply to SVs. Exceptions are addressed below.
- (2) **Nonresident Applicants**
 - (a) Under SV, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied, regardless of PHA policy in Section 10-II.B.
- (3) **Billing and Absorption**
 - (a) A receiving PHA cannot refuse to assist an incoming SV family, regardless of whether the PHA administers SVs under its own ACC.
 - (i) If the SV family moves under portability to another PHA that administers SVs under its own ACC:
 - (A) The receiving PHA may only absorb the incoming SV family with an SV (assuming it has an SV voucher available to do so).
 - (B) If the PHA does not have an SV available to absorb the family, it must bill the initial PHA. The receiving PHA must allow the family to lease the unit with SV assistance and may not absorb the family with a regular HCV when the family leases the unit.
 - (C) Regardless of whether the receiving PHA absorbs or bills the initial PHA for the family's SV assistance, the SV administration of the voucher is in accordance with the receiving PHA's SV policies.
 - (ii) If the SV family moves under portability to another PHA that does not administer SV under its own ACC, the receiving PHA may absorb the family into its regular HCV program or may bill the initial PHA.
- (4) **Family Briefing**
 - (a) In addition to the applicable family briefing requirements at 24 CFR 982.301(a)(2) the initial PHA is required to help facilitate the family's portability move to the receiving PHA and inform the family of this requirement in writing, taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP).
 - (b) A family that includes any disabled person, the PHA must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6.

- (i) In addition to following agency policy on briefings in Chapter 5, as part of the briefing packet for SV families, Opportunity Home will include a written notice that Opportunity Home will assist the family with moves under portability.
- (ii) For limited English proficient (LEP) applicants, Opportunity Home will provide interpretation services in accordance with the PHA's LEP plan (See Chapter 2).

(5) **Coordination of Services**

- (a) If the portability move is in connection with the SV family's initial lease-up, the receiving PHA and the initial PHA must consult and coordinate the SV services and assistance that will be made available to the family.

- (i) For SV families who are exercising portability, when the PHA contacts the receiving PHA in accordance with Section 10-II.B. Preapproval Contact with Receiving PHA, the PHA will consult and coordinate with the receiving PHA to ensure there is no duplication of SV services and assistance, and ensure the receiving PHA is aware of the maximum amount of services fee funding that the initial PHA may provide to the receiving PHA on behalf of the family.

20.3.R Payment Standards

(1) **Payment Standard Schedule**

- (a) For the SV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, the PHA may, but is not required to, establish separate higher payment standards for SVs. Lower SV payment standards are not permitted. If the PHA is increasing the regular HCV payment standard, the PHA must also increase the SV payment standard if it would be otherwise lower than the new regular HCV payment standard. The separate SV payment standard must comply with all other HCV requirements with the exception of the alternative requirements discussed below.
- (b) Further, if the PHA chooses to establish higher payments standards for SVs, HUD has provided other regulatory waivers:

- (i) Allowing the PHA to establish a payment standard amount for a unit size at any level between 90 percent and 120 percent (as opposed to 110 percent) of the published Fair Market Rent (FMR) for the unit size.
- (ii) Allowing a PHA that is not in a designated Small Area FMR (SAFMR) area or has not opted to voluntarily implement SAFMRs to establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD published SAFMRs. The PHA may establish an exception payment standard up to 120 percent (as opposed to 110 percent) of the HUD published Small Area FMR for that ZIP code area. The exception payment standard must apply to the entire ZIP code area.
 - (A) The PHA must notify HUD if it establishes an SV exception payment standard based on the SAFMR.

(1) Opportunity Home will establish a payment standard between 90 percent and 120 percent of SAFMRs.

(2) **Rent Reasonableness**

- (a) All rent reasonableness requirements apply to SV units, regardless of whether the PHA has established an alternative or exception SV payment standard.

(3) **Increases in Payment Standards**

- (a) The requirement that the PHA apply increased payment standards at the family's first regular recertification on or after the effective date of the increase does not apply to SV. The PHA may, but is not required to, establish an alternative policy on when to apply the increased payment standard, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family's first regular reexamination following the change.

(i) Opportunity Home will not establish an alternative policy for increases in the payment standard. Opportunity Home's policy in Section 11.3.B governing increases in payment standards will apply to SVs.

20.4 Income-Based Housing Assistance

20.4.A Overview

- (1) On August 15, 2011, HUD issued Notice PIH 2011-45 which described HUD's authorization to PHAs with MTW Agreements to implement local, nontraditional activities (LNT) outside of the Housing Voucher Program and Public Housing Programs established in Sections 8 & 9 of the Housing Act of 1937.
- (2) Opportunity Home's Income-Based Housing Assistance (IBHA) will serve families at or below 80% Area Median Income (AMI) and use MTW funds for activities that meet one of the three required MTW statutory objectives.
- (3) If Opportunity Home uses MTW funds for acquisition, renovation or construction of local, non-traditional affordable units, the organization must ensure that the units remain affordable for a specified amount of time. The time restriction may vary from project to project given the goals of Opportunity Home, the project economics, market conditions and other factors.
- (4) IBHA units must remain affordable for the longer of either the term of the loan or 30 years, unless otherwise approved by HUD.

20.4.B Partnering Agencies

- (1) Except as otherwise noted or unless specifically prohibited by LNT program regulations, Opportunity Home policies for the Public Housing Program contained in the Admissions and Continued Occupancy Plan (ACOP) also apply to the IBHA program and its residents.
- (2) **Rent Calculation**
 - (a) Families admitted to this program will follow the Agency's standard calculation for Public Housing residents. See 6.3.A of the ACOP for rent calculation requirements under the program.
 - (b) Opportunity Home has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6.3.B of the ACOP.
- (3) **Eligibility**

- (a) Applicants must meet Opportunity Home’s eligibility criteria in accordance with Chapter 3 of the ACOP.
 - (b) Applicants will be screened at or below 80% AMI income level.
- (4) **Organization of Waiting List**
- (a) Opportunity Home will maintain a separate waiting list for IBHA.
 - (b) IBHA residents will receive property-based housing assistance at designated properties.
 - (i) Assistance will be limited to the property for which the applicant has been drawn.
 - (c) **Waiting List Preferences**
 - (i) **Public Housing Resident - By Proximity (100 Points)** - A Public Housing resident may request to move to an IBHA property if they meet the following eligibility requirements:
 - (A) Must be a Public Housing resident currently residing in a Public Housing development(s) closest to the IBHA property for at least two years;
 - (1) Radius of proximity will be determined by each IBHA property.
 - (B) Must have a good rental history;
 - (C) Must meet additional eligibility requirements for the designated property, if applicable.
- (5) **Reexaminations**
- (a) Opportunity Home families participating in income-based rent assistance must conduct a reexamination of income and family composition at least annually in accordance with 24 CFR 960.257(a)(1).
 - (b) See 9.1.A(3), (4) and (5) of the ACOP for additional reexamination requirements outlined for income-based rent assistance programs.
- (6) **Over-Income Limit**
- (a) After a family’s adjusted income has exceeded 140% over 60% AMI for 12 consecutive months (grace period),

Opportunity Home must terminate the family's tenancy no later than six months after the final notice confirming that the family has been over-income for 12 consecutive months.

- (b) If Opportunity Home becomes aware, through an annual/interim reexamination, that a family has reached the over-income limit, that will be the starting point for the 12-month grace period.
 - (i) Opportunity Home must provide written notice to the family no later than 30 days after Opportunity Home's initial determination. The notice must state that:
 - (A) The family has exceeded the over-income limit, and
 - (B) Continuing to exceed the over-income limit for a total of 12 consecutive months will result in termination of assistance.
- (c) If the family submits a decrease in income which demonstrates that the family's income has dropped below the over-income limit, the family is no longer considered over-income.
 - (i) If Opportunity Home becomes aware that the family's income has increased, through an interim/annual reexamination, to an amount that exceeds the over-income limit, the family would begin a new 12 consecutive month grace period.
- (d) After an over-income family has exceeded the grace period, the family may request an interim reexamination, but a decrease in income and the family's rent will not reset the period before termination or enable the family to avoid termination.

(7) Program Termination

- (a) See ACOP 13.2 [Termination by Opportunity Home - Mandatory] for the HUD-required mandatory termination of the lease for certain actions or inactions of the resident or family.

(8) Moves

- (a) IBHA families may not move with their project-based assistance as the assistance is tied to the unit.

(9) **VAWA**

- (a) If a family makes an emergency transfer request, Opportunity Home must give the family priority to receive the next available unit in an IBHA property that meets their needs.
 - (i) If an IBHA unit that meets the family's needs is not immediately available, Opportunity Home will place the family on the Public Housing Waitlist with an Opportunity Home Program Displacement preference.

(10) **Reasonable Accommodation**

- (a) See Chapter 2 for additional information about fair housing and equal opportunity requirements.

Appendix A

Summary

This Data Sharing Policy sets forth the policies regarding the sharing of program administrative data maintained by Opportunity Home San Antonio with third-parties. The Policy governs how and under what conditions data can be used and shared. The Policy establishes guidelines regarding data use disclosure, informed consent, and third-party data request processing.

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1. Background

Interagency Data Sharing

The Federal Government has increasingly promoted the use of data sharing in interagency coordination, planning, and decision making efforts. In 2010, the U.S. Government Accountability Office (GAO) released a report that indicated data sharing among federal programs could be improved and result in more timely and accurate eligibility determinations and potential program savings¹. This data sharing concept was further promoted in 2013 when the GAO released a second report that reviewed how selected states and localities are sharing data to improve human services and outlined the benefits of that data sharing².

Additionally, the US Department of Housing and Urban Development issued a notice in 2014 stating “PHAs may enter into agreements (or in some cases be required) to provide PII [personally identifiable information] to legitimate researchers under contract or other agreement with HUD to support studies on the effects and operations of HUD programs. Further, HUD encourages PHAs to supply PII to other legitimate researchers who do not have contracts or other agreements with HUD in support of such studies, so long as the PHA in question has taken reasonable precautions to prevent disclosure of PII outside of the research team.”³

And finally, in January 2017, HUD released a data sharing roadmap to provide public housing authorities with “practical guidance for establishing partnerships with school districts and using data-driven strategies to strengthen the educational outcomes of children living in HUD-assisted housing.”⁴

Currently, Opportunity Home is engaged in several HUD sponsored/funded initiatives that include interagency data sharing as a strategy for improving resident self-sufficiency outcomes (i.e., Choice Neighborhood Initiative and MDRC/MTW Rent Reform Study).

Information as an asset

In addition to an increased awareness of the benefits of interagency data sharing and the increased practice of incorporating data sharing as a strategy to achieve better program outcomes, there has also been a recent push for more accessible, available data. Specifically, the May 9, 2013 Executive Order, *Making Open and Machine Readable the New Default for Government Information*, established a framework to help government agencies “institutionalize the principles of effective information management”...“to promote interoperability and openness”. In the memorandum to executive departments and agencies, *Open Data Policy-- Managing Information as an Asset*, it states that information is a “valuable national resource and

¹ See BENEFIT AND LOAN PROGRAMS: Improved Data Sharing Could Enhance Program Integrity [GAO/HEHS-00-119 Benefit and Loan Programs](#)

² See HUMAN SERVICES: Sustained and Coordinated Efforts Could Facilitate Data Sharing While Protecting Privacy [GAO-13-106 Data Sharing in Human Services](#)

³ See [PIH Notice 2014-10](#)

⁴ See The [Data-Sharing Road Map: Improving Student Outcomes through Partnerships between Public Housing Agencies and School Districts](#)

a strategic asset to the Federal Government, its partners, and the public”. By managing government information as an asset, the Federal Government can “increase operational efficiencies, reduce costs, improve services, support mission needs, safeguard personal information, and increase public access to valuable government information.”⁵

2. Principles and priorities

- This policy shall apply to the Opportunity Home (the Agency), its employees, and third-parties conducting business, contracting with, and/or collaborating with the Agency.
- This policy is in alignment with PIH-2014-10, U.S. Department of Housing and Urban Development (HUD) Privacy Protection Guidance for Third Parties.
- The Agency is covered by Section 6 of the Housing Act of 1937, the Privacy Act of 1974, 5 U.S.C. §552a (Privacy Act), The Freedom of Information Act (FOIA), 5 U.S.C. § 552, and Section 208 of The E-Government Act, Housing and Community Development Act of 1987, 42 U.S.C. § 1437d (q)(4), 42 U.S.C. § 1437d (t)(2), 42 U.S.C. § 3543, and the Stewart B. McKinney Homeless Assistance Act of 1988, 42 U.S.C. § 3544, further regulate the treatment of this information.
- In addition, the Agency is subject to The Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g.
- This policy is in alignment with the Agency’s Strategic Goals, specifically, Goal #1: Empower and equip families to improve their quality of life and achieve economic stability.
- The Agency strives to foster continuous improvement by embracing and actively seeking to collaborate with partner agencies on collective impact initiatives.
- The Agency is committed to being technologically forward-thinking by using the latest technology to make data as widely and freely available as possible while safeguarding the privacy of applicants, residents, and participants, and protecting confidential data.
- The Agency is committed to protecting the rights and privacy of applicants, residents, participants, and employees.
- The Agency values data as a strategic asset to the Agency, its partners, and the public and maintains that it should be used to increase operational efficiencies, reduce costs, improve services, support mission needs, while safeguarding personal information.

3. Definitions

- Program Administrative Data (“Data”):The Agency collects and maintains information about its applicants, residents, and participants for a wide variety of purposes, including: tenant selection, periodic rent determination, property management and compliance with regulatory and contractual obligations.
- Data Sharing: Data sharing is defined as obtaining and disclosing information on individuals who are currently or were in the past receiving housing assistance from the Agency or on one of the Agency’s housing waitlists.
- Personally Identifiable Information (PII). PII is defined in OMB M-07-16 as “. . . information which can be used to distinguish or trace an individual’s identity, such as

⁵ See [M-13-13 Subject: Open Data Policy--Managing Information as an Asset](#)

their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc." (PIH-2014-10). Further, all data contained in any Criminal Offender Record Information (CORI), medical history, and data regarding domestic violence or other violent crime shall be Identifiable Data.

- The Agency designates the following PII categories:
 - Directory Information: Directory information is personally identifiable information contained in a record that would not generally be considered harmful or an invasion of privacy if disclosed. Directory Information often includes:
 - Resident Name(s)
 - Address Information (local, permanent, and email)
 - Telephone number (local and permanent)
 - Date of Birth
 - Housing Program
 - Dates of housing assistance
 - EntityID
 - Relationship defined by 50058 to include: "Head", "Co-Head", "Spouse", "Other Adult", "Youth Under 18", "Live-In Aide" (note: categories do not reflect familial relationships)
 - Non-Directory Information: Non-Directory Information is also referred to as "Sensitive Personally Identifiable Information". Non-Directory Information is defined as PII that when lost, compromised or disclosed without authorization could substantially harm an individual. (PIH-2014-10) Non-Directory Information includes, but is not limited to:
 - Social Security Number
 - Driver's License Number
 - Medical record including disability status
 - Financial account numbers such as credit or debit card numbers
 - Case Management Data such as case manager notes and social services referred and received
 - Employment information such as income and source of income
- De-identifiable Information: De-identifiable Information is defined as records and information that are de-identified from all personally identifiable information including but not limited to any information that a reasonable person in the community would be able to link to a specific resident.
- Aggregate Information: Aggregate information is defined as development, program, neighborhood, or agency-wide reports that group resident-level data or household-level data into summary information, eliminating the disclosure of PII. In some cases, one or more residents and/or households may possess a unique or uncommon characteristic (or a combination of characteristics) that would allow them to be identified in the summary information without the actual disclosure of PII. In these instances, the aggregate information is suppressed due to the risk of disclosure.

4. Data Use and Sharing

As a general policy, the Agency requires a data use disclosure to be provided to all applicants, residents, and participants on an annual basis. Additionally, in general the Agency requires a release of information or informed consent from a resident prior to sharing any data about that resident with another entity unless it has been de-identified and/or aggregated to prevent the identification of that resident in the record or summary information. The Agency is subject to federal, state, and local laws that permit the sharing of selected information under specific circumstances without prior consent.

All information provided to Opportunity Home regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and is not entered into a sharable database. As such, this information is generally not disclosed. If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, Opportunity Home will inform the victim before disclosure occurs so that safety risks can be identified and addressed [24 CFR 5.2007(b)(4)].

To view the full policy on Violence Against Women Act (Vawa): Notification, Documentation, Confidentiality, See ACOP Chapter 16 § 16.8 “Violence Against Women Act (Vawa): Notification, Documentation, Confidentiality”, and The Administrative Plan, Chapter 16, § 16.9 “Violence Against Women Act (Vawa): Notification, Documentation, Confidentiality”.

Opportunity Home needs to collect and share information to administer housing assistance programs. In the section below, we list the reasons Opportunity Home can share your personal information; the reasons Opportunity Home chooses to share; and whether you can limit this sharing.

Reasons We May Share Your Personal Information	What Is Shared?	Can You Limit This Sharing?
<p>ADMINISTRATIVE Opportunity Home may collect and/or share resident information to third-parties for the purposes of eligibility, enrollment, and recertification for housing assistance provided. Information may be used to conduct data matching inquiries to identify program integrity issues (e.g., fraud) and improve payment accuracy. The Agency may also use information for auditing purposes, trend analysis, and internal research to improve the Agency’s business practices – including the development, revision, and implementation of agency policies and programs. The Agency may aggregate resident information to generate internal and external reports.</p>	<p>*Directory, *Non-Directory Information, De-identifiable & Aggregate</p>	<p>No</p>
<p>RESEARCH Opportunity Home may share resident information for the purposes of research and evaluation. If the Agency shares non-directory personally identifiable information it will be used for matching records only, the resident information will be destroyed once the matching has occurred, and the resident information cannot be linked back to the final research results made available to the public</p>	<p>Directory, Non-Directory Information, De-identifiable & Aggregate</p>	<p>No</p>
<p>SAFETY AND SECURITY Opportunity Home may share resident information to law enforcement agencies to achieve maximum coordination and cooperation in</p>	<p>Directory Information,</p>	<p>No</p>

Reasons We May Share Your Personal Information	What Is Shared?	Can You Limit This Sharing?
<p>improving the quality of life of residents by reducing criminal activity. Resident directory information is made available to law enforcement agencies in accordance with laws related to the gathering of criminal intelligence defined as “data that is relevant to the identification of and the criminal activity engaged in by an individual who or organization which is reasonably suspected of involvement in criminal activity” [28 CFR 23.1]. Resident directory information is designated by Opportunity Home to include resident name(s), address information (local, permanent, and email), telephone number (local and permanent), date and place of birth, housing program, and dates of housing assistance.</p>	De-identifiable & Aggregate	
<p>PUBLIC INFORMATION REQUESTS Certain information about residents is considered directory information and will be released to anyone who follows the procedures for requesting the information. Resident directory information may be released to any company, individual, or group that requests it in accordance with the Texas Public Information Act (TPIA). Resident directory information is designated by Opportunity Home to include resident name(s), address information (local and permanent), telephone number (local and permanent), date and place of birth, housing program, and dates of housing assistance. In some cases, de-identified and/or aggregate information that cannot be linked back to the resident may be released.</p>	Directory Information, De-identifiable & Aggregate	No
<p>INTERVENTION/OUTREACH THROUGH COMMUNITY PARTNERSHIPS Opportunity Home is currently engaged with a group of community partners through the Eastside Choice and Promise Grants who are working to make sure Eastside families have good schools, safe and long-term housing, good jobs and careers, good health care, and a safe neighborhood. Opportunity Home would like to extend these partnerships to all of its residents. Opportunity Home may use and/or share resident information to community partnerships for the purposes of program oversight and accountability including but not limited to activities that allow for a better understanding of how services are being provided and the degree to which they are effective; the number and populations of clients served and the extent that they are accessing multiple services; and to monitor outcomes of participants across domains (e.g., education, employment or health). Community partners with whom release and receipt of information may include, but is not limited to: US Department of Housing and Urban Development, TX Attorney General Office, Local government, US Department of Veterans Affairs, TX Department of Health and Human Services, Urban Strategies, Choice and Promise Neighborhood Initiative partners, US Social Security Administration, Courts, Law Enforcement Agencies, Probation/Parole Officers, City Welfare Departments, TX Department of Housing and Community Affairs, Outreach Workers and Case Managers, and Utility Companies. All Opportunity Home partners covered by this notice have entered into a Memorandum of Understanding with Opportunity Home that describes what information is being shared, how the information is being shared, and why the information is being shared. You can get a full list of all Opportunity Home partners who have a current Memorandum of Understanding with Opportunity Home at www.homesa.org.</p>	Directory, **Non-Directory Information, De-identifiable & Aggregate	Yes, Only Non-Directory Information
<p>EDUCATION Opportunity Home partners with select school districts in Bexar County on limited education initiatives that are intended to increase student attendance and educational outcomes. Opportunity Home may use and/or share</p>	Directory, **Non-Directory Information,	Yes, Only Non-Directory Information

Reasons We May Share Your Personal Information	What Is Shared?	Can You Limit This Sharing?
resident information to partner school districts. Opportunity Home may also receive education records from the school district.	De-identifiable & Aggregate	

5. Consent

- The Agency must allow residents to opt in of data sharing at any time except where prohibited by law.
- The consent must:
 - Be signed and dated by all residents 18 years and older;
 - Be signed by the legal guardian of all residents under the age of 18.;
 - Specify the information that will be shared;
 - State the purpose of the disclosure; and
 - Identify the party or class of parties to whom the disclosure may be made.
- “Written consent” includes a record and signature in electronic form if it
 - Identifies and authenticates a particular person as the source of the electronic consent; and
 - Indicates such person’s approval of the information contained in the electronic consent.

6. Roles and Responsibilities

- The Agency must inform applicants, residents and voucher holders on an annual basis of the current data sharing policies.
- The Agency must disclose to applicants, residents and voucher holders how the Agency uses and shares their information.
- The Agency must obtain proper consent prior to sharing any PII/Non-Directory Information.
- The Agency’s **Chief Administrative Officer** (“Officer”) enforces this policy.
- The Agency’s **Compliance Manager** serves in the capacity of the Data Sharing Compliance Monitor. Such individual reports to the Officer and serves as the point of contact with data sharing partners for purposes of ensuring data sharing compliance and is designated as the “DSA contact” for all executed Data Sharing Agreements.
 - Other duties of the Data Sharing Compliance Monitor include ensuring a privacy impact assessment has been completed and documented, the DSA has been executed as applicable, the Agency has any applicable consents from residents, and coordinates with the Innovation Technology department to initiate and implement the prescribed data sharing protocols which includes reviewing the data prior to disclosure. In addition, the Data Sharing Compliance Monitor will manage all documents in one central location and keep the list of partners up-to-date on www.Opportunity Home .org.
- The Agency’s **Data Sharing Compliance Committee** (DSCC) will serve as the data sharing subject matter experts for the agency. The committee must include a representative from the following departments: Innovative Technology, Legal, Compliance, Internal Audit, and Policy & Planning. In addition, on a case by case basis,

data stewards from the department for whom the data request covers should be included on the committee. The committee is responsible for completing the privacy impact assessment.

- The Agency's department/staff who receives the data sharing request serves as the point of contact with the partner for the term of the Data Sharing Agreement and is designated as the "Partnership Liaison" in the agreement. The department/staff is responsible for submitting the initial data request form, completing the DSA template, and reporting on the outcomes of the data sharing agreement.

7. Data Sharing Process

- If the Agency receives an information request from the general public, the request follows the Public Information Request process as outlined in the agency's Public Information Request policies.
- Information requests from established partner agencies or potential partner agencies follows the data sharing partnership process as outlined below.
 - Data Sharing Request
 - The Agency department/staff who receives the request completes a data sharing request form and submits to the Compliance Manager.
 - Data Sharing Request: Review and Approval
 - The Compliance Manager reviews the request and convenes the Data Sharing Compliance Committee (DSCC).
 - The DSCC reviews the request and completes the privacy impact assessment.
 - Privacy Impact Assessment: At time the Agency receives a request for the disclosure of information, a privacy impact assessment shall be conducted by the department receiving the request and reviewed by the legal department prior to any disclosure to a partner agency. The Assessment must include:
 - General business purpose for sharing the data
 - Review of Identifiable data being requested
 - Review of third-party security controls
 - Review of current consent forms and applicability
 - Data Sharing Partnerships: If the privacy impact assessment results indicate the risk of disclosure is acceptable, The Agency may enter into data sharing partnership with the requesting agency.
 - The Agency department/staff who submitted the original request completes the data sharing agreement template and submits to the Compliance Manager.
 - The Compliance Manager coordinates the approval process which includes: legal review, CAO approval, and contract execution.
 - Data Gathering & Documentation: Once approval is granted, data gathering, data documentation, and final contract execution with partner is completed.

- Data Review: Prior to the sharing of any information under the agreement, data must be reviewed by the compliance manager, DSCC, and the original department/staff to ensure all data is in compliance with the DSA and the data meets the business needs of the partnership. In addition, the data sharing partnership must be added to the list of data sharing partners listed on the website, www.homesa.org.
- Data Share: Once data review is completed, data shall be shared in accordance with the standard of care procedures outlined in the DSA.
- Evaluate: The Agency must review all DSAs on a regular basis to ensure the partnership is compliant with applicable law and continues to support the Agency to increase operational efficiencies, reduce costs, improve services, support mission needs, while safeguarding personal information.
- Data Sharing Agreement (DSA): The Agency must require that any third party that has access to PII/Non-Directory Information execute a standard Data Sharing Agreement, binding the third party to the requirements of this policy. A DSA may be part of a memorandum of understanding.
 - the Agency must require redisclosure limitations under any DSA that prohibits the re-disclosure of data except as allowed under the Computer Matching and Privacy Protection Act of 1988.
 - the Agency must require adequate and effective security controls of third parties to protect the confidentiality, availability, and integrity of all systems and data.
 - Both the Agency and third party agencies receiving data should consider and apply all appropriate management, operational, and technical security controls commensurate with the level of risk and magnitude of harm that would occur if the security of the data and the systems that process it were breached. In particular, physical security needs, personnel security needs, network security, procedures for the retention and timely destruction of identifiable records.

8. Data Access & Security

- The Agency data is kept on servers behind a best-of- grade firewall and is protected by intrusion detection technology, up-to- date virus protection and current system patches.
- Access to Agency data is limited to staff only on a need-to- know basis via network accounts with passwords that are required to be at least 8 characters long and must consist of a mixture of alphabetic, numeric and special characters. Passwords must be changed every 30 days.
- All staff are required to undergo Data Security Awareness training annually.
- The Agency may enter into an agreement with a third-party to host data as long as the agreement is in compliance with applicable law and confidentiality requirements.

9. Data Providers' Rights

- Applicants, residents, voucher holders or other participants in the Agency programs have the following rights, provided by Section 552a(b) of the Privacy Act, in regard to their Personal Data collected by the Agency.
- Right to consent to disclosure of PII.

- Right to be informed annually on the Agency's Data Sharing Policy.
- Right to withdraw consent at anytime by contacting the Data Security and Privacy Officer.
- Right to be notified if the Agency receives a legal order to release PII data, in accordance with the provisions of the Privacy Act.
- Right to inspect and copy any data collected about them at Provider's expense, except as provided by the Privacy Act.
- Right to ask questions and receive answers from the Agency regarding processes and procedures for data collection and use.
- Right to object to the collection, maintenance, dissemination, use, accuracy, completeness or type of data held by the Agency. The Agency shall investigate the objection and shall either correct the problem or make the objection part of the person's file. If individuals are dissatisfied, they may request an internal hearing with Agency staff.
- Right to grant or withhold their permission when requested to provide information or release of information; however, failure to permit the Agency to obtain the required information or agree to its release consistent with this Policy may result in delay, ineligibility for programs, or termination of tenancy or housing subsidy.

APPENDIX B

EMPHASYS RENT REASONABLENESS METHODOLOGY



We build software so you can build communities.

Rent Reasonableness Methodology Prepared for the Opportunity Home (Opportunity Home)

The Emphasys housing locator service, Myhousingsearch.com, provides a real-time database of available rental housing. The housing search and lease-up process that takes place within the locator produces real-time rental market data that can be used for rent reasonableness comparisons. When a unit within the Socialserve.com locator, transitions from available to rented, a rental housing survey is conducted to verify and collect pertinent details. These include confirming the actual leased rent amount and information on if the unit was rented to a voucher holder. Please note, only unassisted units are considered viable rent reasonableness data.

Once verified, comparable units remain viable for up to 12 months from the date rented. As comparable data approaches the one-year expiration, the Myhousingsearch.com call center conducts another survey to update the rental data and extend the validity for another year. If the data cannot be updated, it is removed from the rent reasonableness data pool. If unable to updated an expiring comparable, the Socialserve.com team will research, call and survey a comparable unit to take the place of the expired comparable that could not be updated.

The cloud-based RentComp Tool is built into a password-protected area of the housing locator. All users must receive training on how to use system prior to receiving their login credentials. A dedicated support team is available via email or toll-free phone, for assistance or to request on-demand comparable data. During the contract term there are no limits on the number of on-demand comps that can be requested, nor are there any limits on the number of users that can access the tool.

In addition to the organic data gathered through the site, the Myhousingsearch.com research team performs targeted research and conducts rental housing survey calls to identify and gather additional comparables to further populate the database. The Myhousingsearch.com call center is available to fill on-demand requests for additional comparable units and to fill data gaps, as needed. Requests for additional comparable units are filled within 48 hours, and often completed the same day.

APPENDIX B

EMPHASYS RENT REASONABLENESS METHODOLOGY

To comply with CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507 and to accommodate different agency policies, our RentComp form captures the location, size, type, quality, age, amenities, housing services, maintenance, and utilities provided by the owner.

Additionally, the RentComp Tool allows individual agencies to set their own weights in 32 categories. Weights are assigned to each attribute based on importance, and can be adjusted for various programs if needed. Opportunity Home set their weights prior to training their staff and beginning to use the tool. Additionally, Opportunity Home reviewed and adjusted the default RentComp account settings to align with their internal policies.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF	Annual adjustment factor (published by HUD in the Federal Register and used to compute annual rent adjustments)
ABP	All Bills Paid
ACC	Annual Contributions Contract
ADA	Americans with Disabilities Act of 1990
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
EID	Earned income disallowance
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
FY	Fiscal year
FYE	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HAP	Housing assistance payment
HCV	Housing choice voucher
HQS	Housing quality standards
HUD	Department of Housing and Urban Development
HUDCLIPS	HUD Client Information and Policy System
IPA	Independent public accountant
IRA	Individual Retirement Account

IRS	Internal Revenue Service
JTPA	Job Training Partnership Act
LBP	Lead-based paint
MSA	Metropolitan statistical area (established by the U.S. Census Bureau)
MTCS	Multi-family Tenant Characteristics System (now the Form HUD-50058 submodule of the PIC system)
MTW	Moving to Work
NOFA	Notice of funding availability
OIG	HUD's Office of Inspector General
OMB	Office of Management and Budget
PHA	Public housing agency
PIC	PIH Information Center
PIH	(HUD Office of) Public and Indian Housing
PS	Payment standard
QC	Quality control
QHWRA	Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)
REAC	(HUD) Real Estate Assessment Center
RFP	Request for proposals
RTA	Request for tenancy approval
RIGI	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
SEMAP	Section 8 Management Assessment Program
SPC	Shelter Plus Care
SRO	Single room occupancy
SSA	Social Security Administration
SSI	Supplemental security income
TANF	Temporary assistance for needy families
TPV	Tenant protection vouchers
TR	Tenant rent
TTP	Total tenant payment
UA	Utility allowance

UIV	Upfront income verification
URP	Utility reimbursement payment
VASH	Veterans Affairs Supportive Housing
VAWA	Violence Against Women Reauthorization Act of 2005
VG	HUD Verification Guidance 2004

B. GLOSSARY OF SUBSIDIZED HOUSING TERMS

Absorption. In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible. The facility or portion of the facility can be approached, entered, and used by individuals with physical handicaps.

Adjusted Income. Annual income, less allowable HUD deductions.

Adjusted Annual Income. Same as Adjusted Income.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See §982.152.

Administrative fee reserve (formerly “operating reserve”). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See §982.155. Administrative fee reserves from FY 2004 and 2005 funding are further restricted to activities related to the provision of tenant-based rental assistance authorized under Section 8.

Administrative plan. The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA’s board and included as a supporting document to the PHA Plan. See §982.54.

Admission. The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

Amortization payment. In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual contributions contract (ACC). The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

Annual Income. The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

Applicant (applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

Area Exception Rent. An amount that exceeds the published FMR. See §982.504(b).

“As-paid” States. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

Assets. (See Net Family Assets).

Auxiliary aids. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance.

Budget authority. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

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

Child care expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen. A citizen or national of the United States.

Co-head. An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

Common space. In shared housing: Space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of data bases containing records about individuals.

Confirmatory review. An on-site review performed by HUD to verify the management performance of a PHA.

Consent form. Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see §982.606 to §982.609.

Contiguous MSA. In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

Continuously assisted. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

Contract. (See Housing Assistance Payments Contract.)

Contract authority. The maximum annual payment by HUD to a PHA for a funding increment.

Cooperative (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: see §982.619.

Covered families. Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

Dating violence. Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

Dependent. A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability assistance expenses. Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family. A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person. See Person with Disabilities.

Displaced family. A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

any felony or misdemeanor crimes committed under the family or domestic violence laws of the jurisdiction receiving grant funding

Domestic violence. Any felony or misdemeanor crimes committed under the family or domestic violence laws of the jurisdiction receiving grant funding. In the case of victim services, the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by any one of the following: (A) a current or former spouse or intimate partner of the victim, or person similarly situated to a spouse of the victim; (B) a person who is cohabitating, or has cohabitated, with the victim as a spouse or intimate partner; (C) a person who shares a child in common with the victim; or (D) a person who commits acts against a youth or adult victim who is protected from those acts under the family or domestic violence laws of the jurisdiction.

Domicile. The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug-related criminal activity. As defined in 42 U.S.C. 1437f(f)(5).

Drug-trafficking. The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Economic Self-Sufficiency Program. Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see §5.603(c).

Elderly family. A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly Person. An individual who is at least 62 years of age.

Eligible Family (Family). A family that is income eligible and meets the other requirements of the Act and Part 5 of 24 CFR.

Employer Identification Number (EIN). The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

Evidence of citizenship or eligible status. The documents which must be submitted to evidence citizenship or eligible immigration status. (See §5.508(b).)

Extremely Low Income Family. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. (CFR 5.603)

Facility. All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.

Fair Housing Act means title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988

Fair market rent (FMR). The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 CFR part 888.

Family. Includes but is not limited to the following, and can be further defined in PHA policy.

- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
- An elderly family or a near-elderly family
- A displaced family
- The remaining member of a tenant family
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see §982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

Federal agency. A department of the executive branch of the Federal Government.

Foster Child Care Payment. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

Full-time Student. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).
(CFR 5.603)

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gender Identity. Gender Identity means actual or perceived gender characteristics, regardless of the sex assigned to an individual at birth.

Good Cause. A conflict such as hospitalization, family emergency or extraordinary circumstance, as determined by SAHA. For “Other Good Cause,” see 12.3.B(5).

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). A special housing type: see §982.610 to §982.614.

Handicap. Any condition or characteristic that renders a person an individual with handicaps. See 24 CFR 8.3.

Handicap Assistance Expense. See “Disability Assistance Expense.”

HAP contract. Housing assistance payments contract. (Contract). A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

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

Homeless. The McKinney-Vento Homeless Assistance Act requires HUD to define Homeless as any individual or family who:

- (a) is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized;
- (b) has no other safe residence; and
- (c) lacks the resources to obtain other safe permanent housing.

Housing assistance payment. The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing agency (HA). A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

Housing Quality Standards. The HUD minimum quality standards for housing assisted under the voucher program.

HUD. The Department of Housing and Urban Development.

Immediate family member. A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or any other person living in the household of that person and related to that person by blood and marriage.

Imputed Asset. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

Imputed Income. HUD passbook rate multiplied by the total cash value of assets. Calculation used when net family assets exceed \$5,000.

Imputed welfare income. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

Income. Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

Income For Eligibility. Annual Income.

Income information means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources
- All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- Unearned IRS income and self-employment, wages and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

Individual with handicaps. Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

Infestation. When more than one dead or live insect or rodent is observed in a unit or in an inspectable item location in common areas (e.g., halls, corridors, stairs, laundry room, lobby office, etc.).

Initial PHA. In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

Jurisdiction. The area in which the PHA has authority under State and local law to administer the program.

Landlord. Either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

Lease. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

Live-in aide. A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

Local Preference. A preference used by the PHA to select among applicant families.

Low Income Family. A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% for areas with unusually high or low incomes.

Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see §982.620 and §982.621.

Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See §982.622 to §982.624.

Medical expenses. Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of annual income.

Merger Date. October 1, 1999.

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

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

Monthly adjusted income. One twelfth of adjusted income.

Monthly income. One twelfth of annual income.

Mutual housing. Included in the definition of “cooperative.”

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

Near-elderly family. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Net family assets. (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

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

Notice of Funding Availability (NOFA). For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Office of General Counsel (OGC). The General Counsel of HUD.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

Overcrowding. The condition of having more than two people per living/sleeping room.

PHA Plan. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

PHA's quality control sample. An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

Participant (participant family). A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

Persons With Disabilities. A person who has a disability as defined in 42 U.S.C. 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means and “individual with handicaps” as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes). See “Individual with handicaps”

Portability. Renting a dwelling unit with Section 8 housing choice voucher outside the jurisdiction of the initial PHA.

Premises. The building or complex in which the dwelling unit is located, including common areas and grounds.

Private space. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Processing entity. The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the Section 8 program, the “processing entity” is the “responsible entity.”

Project owner. The person or entity that owns the housing project containing the assisted dwelling unit.

Public Assistance. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

Public Housing Agency (PHA). Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

Reasonable rent. A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

Receiving PHA. In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Recertification. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

Remaining Member of Tenant Family. Person left in assisted housing who may or may not normally qualify for assistance on own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

Rent to owner. The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

Residency Preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (“residency preference area”).

Residency Preference Area. The specified area where families must reside to qualify for a residency preference.

Responsible entity. For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

Secretary. The Secretary of Housing and Urban Development.

Section 8. Section 8 of the United States Housing Act of 1937.

Section 8 covered programs. All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under section 202 of the Housing Act of 1959.

Section 214. Section 214 of the Housing and Community Development Act of 1980, as amended

Section 214 covered programs is the collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in §5.500.

Security Deposit. A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Set-up charges. In a manufactured home space rental: Charges payable by the family for assembling, skirting and anchoring the manufactured home.

Sexual Assault. *Any nonconsensual sexual act proscribed by Federal, tribal, or state law, including when the victim lacks capacity to consent” (42 U.S.C. 13925(a))*

Shared housing. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type: see §982.615 to §982.618.

Single Person. A person living alone or intending to live alone.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see §982.602 to §982.605.

Social Security Number (SSN). The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Special housing types. See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified Welfare Benefit Reduction. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse. The marriage partner of the head of household.

Stalking. To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

State Wage Information Collection Agency (SWICA). The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension. The term on the family's voucher stops from the date the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied. This practice is also called "tolling".

Tenancy Addendum. For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.

Tenant. The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent to owner. See “Family rent to owner”.

Term of Lease. The amount of time a tenant agrees in writing to live in a dwelling unit.

Total Tenant Payment (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

Unit. Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

Utility allowance. If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility reimbursement. In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

Utility hook-up charge. In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Vacancy Loss Payments. (*Applies only to pre-10/2/95 HAP Contracts in the Rental Certificate Program*). When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the contract rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

Very Low Income Family. A low-income family whose annual income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice voucher program.

Violence Against Women Reauthorization Act (VAWA) of 2013. Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis of the applicant or program participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

Violent criminal activity. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher (Housing Choice Voucher). A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher program. The housing choice voucher program.

Waiting list admission. An admission from the PHA waiting list.

Welfare assistance. Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. FOR THE FSS PROGRAM (984.103(b)), "welfare assistance" includes only cash maintenance payments from Federal or State programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.

Welfare-to-work (WTW) family. A family assisted by a PHA with Voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).