



**ADMINISTRATIVE PLAN
FOR THE
HOUSING CHOICE VOUCHER PROGRAM**

Summer 2022 Updates Approved by Board of Commissioners
March 21, 2023.

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Administrative Plan Table of Contents

Table of Contents

INTRODUCTION	i
AUTHORITIES FOR POLICIES IN THE MODEL ADMINISTRATIVE PLAN	i
RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN	i
CHAPTER 1.....	1-1
OVERVIEW OF THE PROGRAM AND PLAN	1-1
INTRODUCTION	1-1
PART I: HASCO	1-2
1-I.A. OVERVIEW	1-2
1-I.B. ORGANIZATION AND STRUCTURE OF HASCO	1-2
1-I.C. HASCO’S MISSION	1-2
1-I.D. HASCO’S PROGRAMS.....	1-3
1-I.E. HASCO’S COMMITMENT TO ETHICS AND SERVICE	1-3
PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM	1-5
1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM	1-5
1-II.B. HCV PROGRAM BASICS	1-6
1-II.C. THE HCV PARTNERSHIPS.....	1-6
1-II.D. APPLICABLE REGULATIONS	1-9
PART III: THE HCV ADMINISTRATIVE PLAN	1-10
1-III.A. OVERVIEW AND PURPOSE OF THE PLAN	1-10
1-III.B. CONTENTS OF THE PLAN	1-10
1-III.C. ORGANIZATION OF THE PLAN	1-12
1-III.D. UPDATING AND REVISING THE PLAN	1-12
CHAPTER 2.....	2-1
FAIR HOUSING AND EQUAL OPPORTUNITY.....	2-1
INTRODUCTION	2-1
PART I: NONDISCRIMINATION	2-2
2-I.A. OVERVIEW	2-2
2-I.B. NONDISCRIMINATION	2-3
PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES.....	2-5
2-II.A. OVERVIEW	2-5
2-II.B. DEFINITION OF REASONABLE ACCOMODATION	2-5
2-II.C. REQUEST FOR AN ACCOMMODATION	2-6
2-II.D. VERIFICATION OF DISABILITY	2-6
2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMODATION	2-7
2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS	2-8
2-II.G. PHYSICAL ACCESSIBILITY	2-9
2-II.H. DENIAL OR TERMINATION OF ASSISTANCE.....	2-9
PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP) ...	2-11
2-III.A. OVERVIEW	2-11
2-III.B. ORAL INTERPRETATION	2-11

Administrative Plan Table of Contents

2-III.C. WRITTEN TRANSLATION	2-12
2-III.D. IMPLEMENTATION PLAN	2-12
CHAPTER 3.....	3-1
ELIGIBILITY.....	3-1
PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS	3-2
3-I.A. OVERVIEW	3-2
3-I.B. FAMILY AND HOUSEHOLD	3-2
3-I.D. HEAD OF HOUSEHOLD	3-4
3-I.E. SPOUSE, COHEAD, AND OTHER ADULT	3-5
3-I.F. DEPENDENT	3-5
3-I.G. FULL-TIME STUDENT	3-6
3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY	3-6
3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY	3-6
3-I.J. GUESTS	3-7
3-I.K. FOSTER CHILDREN AND FOSTER ADULTS	3-7
3-I.L. ABSENT FAMILY MEMBERS	3-8
3-I.M. LIVE-IN AIDE.....	3-9
PART II: BASIC ELIGIBILITY CRITERIA	3-11
3-II.A. INCOME ELIGIBILITY AND TARGETING	3-11
3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS	3-12
3-II.C. SOCIAL SECURITY NUMBERS	3-14
3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION	3-15
3-II.E. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION	3-15
3-II.F. EIV SYSTEM SEARCHES	3-19
PART III: DENIAL OF ASSISTANCE	3-21
3-III.A. OVERVIEW	3-21
3-III.B. MANDATORY DENIAL OF ASSISTANCE	3-22
3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE	3-23
3-III.D. SCREENING	3-25
3-III.E. CRITERIA FOR DECIDING TO DENY ASSISTANCE	3-27
3-III.F. NOTICE OF ELIGIBILITY OR DENIAL	3-28
3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING	3-29
CHAPTER 4.....	4-1
APPLICATIONS, WAITING LIST AND TENANT SELECTION.....	4-1
INTRODUCTION.....	4-1
PART I: THE APPLICATION PROCESS.....	4-2
4-I.A. OVERVIEW	4-2
4-I.B. APPLYING FOR ASSISTANCE	4-2
4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS	4-3
4-I.D. PLACEMENT ON THE WAITING LIST	4-3
PART II: MANAGING THE WAITING LIST	4-5
4-II.A. OVERVIEW	4-5

Administrative Plan Table of Contents

4-II.B. ORGANIZATION OF THE WAITING LIST	4-5
4-II.C. OPENING AND CLOSING THE WAITING LIST	4-6
4-II.D. FAMILY OUTREACH	4-7
4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES	4-7
4-II.F. UPDATING THE WAITING LIST	4-8
PART III: SELECTION FOR HCV ASSISTANCE	4-10
4-III.A. OVERVIEW	4-10
4-III.B. SELECTION AND HCV FUNDING SOURCES	4-10
4-III.C. SELECTION METHOD	4-12
4-III.D. NOTIFICATION OF SELECTION	4-14
4-III.E. THE APPLICATION INTERVIEW	4-15
4-III.F. COMPLETING THE APPLICATION PROCESS	4-15
CHAPTER 5	5-1
BRIEFINGS AND VOUCHER ISSUANCE	5-1
INTRODUCTION	5-1
PART I: BRIEFINGS AND FAMILY OBLIGATIONS	5-2
5-I.A. OVERVIEW	5-2
5-I.B. BRIEFING [24 CFR 982.301]	5-2
5-I.C. FAMILY OBLIGATIONS	5-7
PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE	5-12
5-II.A. OVERVIEW	5-12
5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE	5-12
5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS	5-14
5-II.D. VOUCHER ISSUANCE	5-14
5-II.E. VOUCHER TERM, AND EXTENSIONS	5-15
CHAPTER 6	6-1
INCOME AND SUBSIDY DETERMINATIONS	6-1
INTRODUCTION	6-1
PART I: ANNUAL INCOME	6-2
6-I.A. OVERVIEW	6-2
6-I.B. HOUSEHOLD COMPOSITION AND INCOME	6-2
6-I.C. ANTICIPATING ANNUAL INCOME	6-5
6-I.D. EARNED INCOME	6-6
6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES	6-9
6-I.F. BUSINESS INCOME	6-10
6-I.G. ASSETS	6-12
6-I.H. PERIODIC PAYMENTS	6-19
6-I.I. PAYMENTS IN LIEU OF EARNINGS	6-20
6-I.J. WELFARE ASSISTANCE	6-21
6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES	6-22
6-I.L. STUDENT FINANCIAL ASSISTANCE	6-22
6-I.M. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME	6-24
PART II: ADJUSTED INCOME	6-27

Administrative Plan Table of Contents

6-II.A. INTRODUCTION	6-27
6-II.B. DEPENDENT DEDUCTION.....	6-28
6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION	6-28
6-II.D. MEDICAL EXPENSES DEDUCTION	6-28
6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION	6-29
6-II.F. CHILD CARE EXPENSE DEDUCTION	6-31
PART III: CALCULATING FAMILY SHARE AND HASCO SUBSIDY	6-35
6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS	6-35
6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT	6-36
6-III.C. APPLYING PAYMENT STANDARDS	6-36
6-III.D. APPLYING UTILITY ALLOWANCES	6-38
6-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES	6-38
CHAPTER 7.....	7-1
VERIFICATION.....	7-1
INTRODUCTION.....	7-1
PART I: GENERAL VERIFICATION REQUIREMENTS	7-2
7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION	7-2
7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS.....	7-2
7-I.C. UP-FRONT INCOME VERIFICATION (UIV).....	7-3
7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION	7-5
7-I.E. SELF-CERTIFICATION	7-8
Part II: VERIFYING FAMILY INFORMATION	7-9
7-II.A. VERIFICATION OF LEGAL IDENTITY	7-9
7-II.B. SOCIAL SECURITY NUMBERS	7-9
7-II.C. DOCUMENTATION OF AGE	7-11
7-II.D. FAMILY RELATIONSHIPS	7-11
7-II.E. VERIFICATION OF STUDENT STATUS.....	7-12
7-II.F. DOCUMENTATION OF DISABILITY.....	7-14
7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS	7-15
7-II.H. VERIFICATION OF PREFERENCE STATUS.....	7-16
PART III: VERIFYING INCOME AND ASSETS	7-19
7-III.A. EARNED INCOME	7-19
7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME.....	7-19
7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS.....	7-19
7-III.D. ALIMONY OR CHILD SUPPORT.....	7-20
7-III.E. ASSETS AND INCOME FROM ASSETS	7-20
7-III.F. NET INCOME FROM RENTAL PROPERTY	7-21
7-III.G. RETIREMENT ACCOUNTS.....	7-21
7-III.H. INCOME FROM EXCLUDED SOURCES.....	7-21
7-III.I. ZERO ANNUAL INCOME STATUS.....	7-22
7-III.J. STUDENT FINANCIAL ASSISTANCE	7-22
7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS.....	7-23
PART IV: VERIFYING MANDATORY DEDUCTIONS	7-24

Administrative Plan Table of Contents

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS	7-24
7-IV.B. MEDICAL EXPENSE DEDUCTION	7-24
7-IV.C. DISABILITY ASSISTANCE EXPENSES.....	7-25
7-IV.D. CHILD CARE EXPENSES	7-27
CHAPTER 8.....	8-1
HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS.....	8-1
INTRODUCTION	8-1
PART I: PHYSICAL STANDARDS.....	8-2
8-I.A. GENERAL HUD REQUIREMENTS	8-2
8-I.B. ADDITIONAL LOCAL REQUIREMENTS	8-3
8-I.C. LIFE-THREATENING CONDITIONS	8-5
8-I.D. OWNER AND FAMILY RESPONSIBILITIES	8-7
8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL	8-8
8-I.F. VIOLATION OF HQS SPACE STANDARDS	8-8
PART II: THE INSPECTION PROCESS	8-9
8-II.A. OVERVIEW	8-9
8-II.B. INITIAL HQS INSPECTION	8-11
8-II.C. ANNUAL/BIENNIAL HQS INSPECTIONS	8-12
8-II.D. SPECIAL INSPECTION	8-13
8-II.E. QUALITY CONTROL INSPECTIONS	8-13
8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT	8-14
8-II.G. ENFORCING OWNER COMPLIANCE.....	8-15
PART III: RENT REASONABLENESS	8-17
8-III.A. OVERVIEW	8-17
8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED	8-18
8-III.C. HOW COMPARABILITY IS ESTABLISHED	8-19
8-III.D. HASCO RENT REASONABLENESS METHODOLOGY	8-20
CHAPTER 9.....	9-1
GENERAL LEASING POLICIES	9-1
INTRODUCTION	9-1
9-I.A. TENANT SCREENING	9-1
9-I.B. REQUESTING TENANCY APPROVAL	9-2
9-I.C. OWNER PARTICIPATION	9-3
9-I.D. ELIGIBLE UNITS	9-3
9-I.E. LEASE AND TENANCY ADDENDUM.....	9-6
9-I.F. TENANCY APPROVAL	9-9
9-I.G. HAP CONTRACT EXECUTION	9-9
9-I.H. CHANGES IN LEASE OR RENT.....	9-10
CHAPTER 10	10-1
MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY.....	10-1
INTRODUCTION	10-1
PART I: MOVING WITH CONTINUED ASSISTANCE	10-1
10-I.A. ALLOWABLE MOVES	10-1

Administrative Plan Table of Contents

10-I.B. RESTRICTIONS ON MOVES.....	10-2
10-I.C. MOVING PROCESS	10-4
PART II: PORTABILITY	10-7
10-II.A. OVERVIEW	10-7
10-II.B. INITIAL PHA ROLE	10-7
10-II.C. RECEIVING PHA ROLE	10-13
CHAPTER 11	11-1
REEXAMINATIONS.....	11-1
INTRODUCTION	11-1
PART I: ANNUAL REEXAMINATIONS	11-1
11-I.A. OVERVIEW	11-1
11-I.B. STREAMLINED ANNUAL REEXAMINATIONS	11-1
11-I.C. SCHEDULING ANNUAL REEXAMINATIONS	11-2
11-I.D. CONDUCTING ANNUAL REEXAMINATIONS.....	11-3
11-I.E. DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS	11-4
11-I.G. EFFECTIVE DATES	11-5
PART II: INTERIM REEXAMINATIONS	11-6
11-II.A. OVERVIEW	11-6
11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION	11-6
11-II.C. CHANGES AFFECTING INCOME OR EXPENSES.....	11-8
11-II.D. PROCESSING THE INTERIM REEXAMINATION	11-9
PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT	11-11
11-III.A. OVERVIEW	11-11
11-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES.....	11-11
11-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT	11-12
11-III.D. DISCREPANCIES	11-13
CHAPTER 12	12-1
TERMINATION OF ASSISTANCE AND TENANCY	12-1
PART I: GROUNDS FOR TERMINATION OF ASSISTANCE	12-2
12-I.A. OVERVIEW	12-2
12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE	12-2
12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE	12-2
12-I.D. MANDATORY TERMINATION OF ASSISTANCE	12-2
12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS	12-4
PART II: APPROACH TO TERMINATION OF ASSISTANCE	12-9
12-II.A. OVERVIEW	12-9
12-II.B. METHOD OF TERMINATION	12-9
12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE	12-9
12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE	12-10
12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING.....	12-11
12-II.F. TERMINATION NOTICE.....	12-14
PART III: TERMINATION OF TENANCY BY THE OWNER.....	12-16

Administrative Plan Table of Contents

12-III.A. OVERVIEW	12-16
12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY	12-16
12-III.C. EVICTION	12-18
12-III.D. DECIDING WHETHER TO TERMINATE TENANCY	12-18
12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE	12-19
CHAPTER 13	13-1
OWNERS.....	13-1
INTRODUCTION	13-1
PART I. OWNERS IN THE HCV PROGRAM.....	13-1
13-I.A. OWNER RECRUITMENT AND RETENTION	13-1
13-I.B. BASIC HCV PROGRAM REQUIREMENTS	13-3
13-I.C. OWNER RESPONSIBILITIES.....	13-4
13-I.D. OWNER QUALIFICATIONS	13-5
13-I.E. NON-DISCRIMINATION	13-8
PART II. HAP CONTRACTS.....	13-9
13-II.A. OVERVIEW	13-9
13-II.B. HAP CONTRACT CONTENTS.....	13-9
13-II.C. HAP CONTRACT PAYMENTS.....	13-10
13-II.D. BREACH OF HAP CONTRACT.....	13-12
13-II.E. HAP CONTRACT TERM AND TERMINATIONS.....	13-13
13-II.F. CHANGE IN OWNERSHIP / ASSIGNMENT OF THE HAP CONTRACT	13-14
13-II.G. FORECLOSURE	13-15
CHAPTER 14	14-1
PROGRAM INTEGRITY	14-1
INTRODUCTION	14-1
PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE	14-1
14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE.....	14-1
14-I.B. DETECTING ERRORS AND PROGRAM ABUSE.....	14-2
14-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE.....	14-3
PART II: CORRECTIVE MEASURES AND PENALTIES	14-5
14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS.....	14-5
14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE	14-5
14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE	14-7
14-II.D. HASCO-CAUSED ERRORS OR PROGRAM ABUSE	14-8
14-II.E. CRIMINAL PROSECUTION.....	14-9
14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES.....	14-9
CHAPTER 15	15-1
SPECIAL HOUSING TYPES	15-1
INTRODUCTION	15-1
PART I: SINGLE ROOM OCCUPANCY	15-2
15-I.A. OVERVIEW	15-2
15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION	15-2
15-I.C. HOUSING QUALITY STANDARDS (HQS)	15-2

Administrative Plan Table of Contents

PART II: CONGREGATE HOUSING	15-4
15-II.A. OVERVIEW	15-4
15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION	15-4
15-II.C. HOUSING QUALITY STANDARDS.....	15-4
PART III: GROUP HOME.....	15-6
15-III.A. OVERVIEW	15-6
15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION	15-6
15-III.C. HOUSING QUALITY STANDARDS.....	15-7
PART IV: SHARED HOUSING	15-9
15-IV.A. OVERVIEW	15-9
15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION	15-10
15-IV.C. HOUSING QUALITY STANDARDS	15-11
PART V: COOPERATIVE HOUSING	15-12
15-V.A. OVERVIEW	15-12
15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION	15-12
15-V.C. HOUSING QUALITY STANDARDS	15-12
PART VI: MANUFACTURED HOMES	15-14
15-VI.A. OVERVIEW	15-14
15-VI.B. SPECIAL Requirements FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE.....	15-14
15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION	15-14
15-VI.D. HOUSING QUALITY STANDARDS	15-16
PART VII: HOMEOWNERSHIP	15-17
15-VII.A. OVERVIEW	15-17
15-VII.B. FAMILY ELIGIBILITY	15-17
15-VII.C. SELECTION OF FAMILIES.....	15-18
15-VII.D. ELIGIBLE UNITS.....	15-18
15-VII.E. ADDITIONAL HASCO REQUIREMENTS FOR SEARCH AND PURCHASE	15-20
15-VII.F. HOMEOWNERSHIP COUNSELING	15-20
15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND HASCO DISAPPROVAL OF SELLER	15-21
15-VII.H. FINANCING	15-22
15-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS	15-22
15-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE	15-23
15-VII.K. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES	15-24
15-VII.L. PORTABILITY	15-26
15-VII.M. MOVING WITH CONTINUED ASSISTANCE	15-26
CHAPTER 16	16-1
PROGRAM ADMINISTRATION	16-1
INTRODUCTION.....	16-1
PART I: ADMINISTRATIVE FEE RESERVE	16-2
PART II: SETTING PROGRAM STANDARDS AND SCHEDULES	16-3
16-II.A. OVERVIEW	16-3
16-II.B. PAYMENT STANDARDS	16-3
16-II.C. UTILITY ALLOWANCES	16-7

Administrative Plan Table of Contents

PART III: INFORMAL REVIEWS AND HEARINGS.....	16-8
16-III.A. OVERVIEW	16-8
16-III.B. INFORMAL REVIEWS.....	16-8
16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS.....	16-12
16-III.D. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS	16-23
PART IV: OWNER OR FAMILY DEBTS TO HASCO	16-27
16-IV.A. OVERVIEW	16-27
16-IV.B. REPAYMENT POLICY	16-27
PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)	16-32
16-V.A. OVERVIEW	16-32
16-V.B. SEMAP CERTIFICATION	16-32
16-V.C. SEMAP INDICATORS	16-33
PART VI: RECORD KEEPING	16-37
16-VI.A. OVERVIEW	16-37
16-VI.B. RECORD RETENTION	16-37
16-VI.C. RECORDS MANAGEMENT.....	16-38
PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL.....	16-40
16-VII.A. OVERVIEW	16-40
16-VII.B. REPORTING REQUIREMENT	16-40
16-VII.C. DATA COLLECTION AND RECORD KEEPING.....	16-40
PART VIII: DETERMINATION OF INSUFFICIENT FUNDING.....	16-42
16-VIII.A. OVERVIEW.....	16-42
16-VIII.B. METHODOLOGY	16-42
PART IX: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, CONFIDENTIALITY	16-44
16-IX.A. OVERVIEW	16-44
16-IX.B. DEFINITIONS	16-44
16-IX.C. NOTIFICATION	16-45
16-IX.D. DOCUMENTATION	16-47
16-IX.E. CONFIDENTIALITY	16-49
CHAPTER 17	17-1
PROJECT-BASED VOUCHERS	17-1
INTRODUCTION.....	17-1
PART I: GENERAL REQUIREMENTS.....	17-2
17-I.A. OVERVIEW	17-2
17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE	17-3
17-I.C. RELOCATION REQUIREMENTS	17-3
17-I.D. EQUAL OPPORTUNITY REQUIREMENTS	17-4
PART II: PBV OWNER PROPOSALS.....	17-5
17-II.A. OVERVIEW	17-5
17-II.B. OWNER PROPOSAL SELECTION PROCEDURES	17-5
17-II.C. HOUSING TYPE	17-10
17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS.....	17-10

Administrative Plan Table of Contents

17-II.E. SUBSIDY LAYERING REQUIREMENTS	17-11
17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT	17-12
17-II.G. SITE SELECTION STANDARDS.....	17-14
17-II.H. ENVIRONMENTAL REVIEW	17-16
PART III: DWELLING UNITS.....	17-17
17-III.A. OVERVIEW	17-17
17-III.B. HOUSING QUALITY STANDARDS.....	17-17
17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES	17-17
17-III.D. INSPECTING UNITS	17-17
PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS	17-20
17-IV.A. OVERVIEW	17-20
17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT	17-20
17-IV.C. CONDUCT OF DEVELOPMENT WORK.....	17-21
17-IV.D. COMPLETION OF HOUSING.....	17-22
PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP).....	17-23
17-V.A. OVERVIEW	17-23
17-V.B. HAP CONTRACT REQUIREMENTS	17-23
17-V.C. AMENDMENTS TO THE HAP CONTRACT	17-27
17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES	17-27
17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP CONTRACT	17-27
17-V.F. ADDITIONAL HAP REQUIREMENTS.....	17-28
PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS.....	17-30
17-VI.A. OVERVIEW	17-30
17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE	17-30
17-VI.C. ORGANIZATION OF THE WAITING LIST	17-31
17-VI.D. SELECTION FROM THE WAITING LIST	17-31
17-VI.E. OFFER OF PBV ASSISTANCE	17-32
17-VI.F. OWNER SELECTION OF TENANTS	17-33
17-VI.G. TENANT SCREENING	17-34
PART VII: OCCUPANCY	17-36
17-VII.A. OVERVIEW	17-36
17-VII.B. LEASE	17-36
17-VII.C. MOVES.....	17-39
17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP	17-41
PART VIII: DETERMINING RENT TO OWNER	17-43
17-VIII.A. OVERVIEW	17-43
17-VIII.B. RENT LIMITS	17-43
17-VIII.C. REASONABLE RENT	17-46
17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL	17-47
PART IX: PAYMENTS TO OWNER.....	17-49
17-IX.A. HOUSING ASSISTANCE PAYMENTS.....	17-49
17-IX.B. VACANCY PAYMENTS	17-49
17-IX.C. TENANT RENT TO OWNER	17-50

Administrative Plan Table of Contents

17-IX.D. OTHER FEES AND CHARGES	17-51
CHAPTER 18	18-1
SPECIAL PURPOSE VOUCHERS	18-1
INTRODUCTION.....	18-1
PART I: FAMILY UNIFICATION PROGRAM (FUP)	18-2
18-I.A. PROGRAM OVERVIEW	18-2
18-I.B. PUBLIC CHILD WELFARE AGENCY (PCWA).....	18-3
18-I.C. FUP FAMILY VOUCHER ELIGIBILITY CRITERIA	18-4
18-I.D. FUP YOUTH VOUCHER ELIGIBILITY CRITERIA	18-5
18-I.E. ASSISTANCE PERIOD	18-6
18-I.F. REFERRALS AND WAITING LIST MANAGEMENT	18-11
18-I.G. PHA HCV ELIGIBILITY DETERMINATION	18-12
18-I.H. LEASE UP	18-13
18-I.I. TERMINATION OF ASSISTANCE.....	18-14
18-I.J. FUP PORTABILITY.....	18-15
18-I.K. PROJECT-BASING FUP VOUCHERS	18-15
PART II: FOSTER YOUTH TO INDEPENDENCE INITIATIVE	18-17
18-II.A. PROGRAM OVERVIEW	18-17
18-II.B. PARTNERING AGENCIES	18-17
18-II.C. YOUTH ELIGIBILITY CRITERIA	18-18
18-II.D. SUPPORTIVE SERVICES	18-18
18-II.E. REFERRALS AND WAITING LIST MANAGEMENT	18-19
18-II.F. PHA HCV ELIGIBILITY DETERMINATION	18-20
18-II.G. LEASE UP	18-21
18-II.H. MAXIMUM ASSISTANCE PERIOD.....	18-22
18-II.I. TERMINATION OF ASSISTANCE.....	18-27
18-II.J. PORTABILITY	18-27
18-II.K. PROJECT-BASING FYI VOUCHERS	18-27
PART III: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM	18-28
18-III.A. OVERVIEW	18-28
18-III.B. REFERRALS	18-29
18-III.C. HCV PROGRAM ELIGIBILITY	18-29
18-III.D. CHANGES IN FAMILY COMPOSITION.....	18-31
18-III.E. LEASING	18-31
18-III.F. PORTABILITY.....	18-33
18-III.G. TERMINATION OF ASSISTANCE	18-34
18-III.H. PROJECT-BASING VASH VOUCHERS	18-35
PART IV: MAINSTREAM VOUCHER PROGRAM.....	18-37
18-IV.A. PROGRAM OVERVIEW	18-37
18-IV.B. ELIGIBLE POPULATION	18-37
18-IV.C. PARTNERSHIP AND SUPPORTIVE SERVICES	18-38
18-IV.D. WAITING LIST ADMINISTRATION	18-38
18-IV.E. PORTABILITY	18-38

Administrative Plan Table of Contents

18-IV.F. PROJECT-BASING MAINSTREAM VOUCHERS	18-39
PART V: NON-ELDERLY DISABLED (NED) VOUCHERS	18-40
18-V.A. PROGRAM OVERVIEW	18-40
18-V.B. ELIGIBLE POPULATION	18-40
18-V.C. WAITING LIST	18-41
18-V.D. LEASE UP	18-42
18-V.E. PORTABILITY	18-43
GLOSSARY.....	1
A. ACRONYMS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM	1
B. GLOSSARY OF SUBSIDIZED HOUSING TERMS	4
Temporary Policy Supplement EMERGENCY HOUSING VOUCHERS (EHVs)	1
INTRODUCTION	1
PART I: FUNDING.....	2
TPS-I.A. FUNDING OVERVIEW	2
TPS-I.B. SERVICE FEES.....	3
PART II: PARTNERING AGENCIES.....	6
TPS-II.A. CONTINUUM OF CARE (CoC)	6
TPS-II.B. OTHER PARTNERING ORGANIZATIONS.....	6
TPS-II.C. REFERRALS	6
PART III: WAITING LIST MANAGEMENT	8
TPS-III. A. HCV WAITING LIST	8
TPS-III.B. EHV WAITING LIST	8
TPS-III.C. PREFERENCES.....	8
PART IV: FAMILY ELIGIBLTY	10
TPS-IV.A. OVERVIEW	10
TPS-IV.B. REFERRING AGENCY DETERMINATION OF ELIGIBLTY	10
TPS-IV.C. PHA SCREENING.....	10
TPS-IV.D. INCOME VERIFICATION AT ADMISSION	12
TPS-IV.E. SOCIAL SECURITY NUMBER AND CITIZENSHIP STATUS VERIFICATION	13
TPS-IV.G. INCOME TARGETING	14
PART V: HOUSING SEARCH AND LEASING	15
TPS-V.A. INITIAL VOUCHER TERM	15
TPS-V.B. HOUSING SEARCH ASSISTANCE	15
TPS-V.C. HQS PRE-INSPECTIONS	15
TPS-V.D. INITIAL LEASE TERM	16
TPS-V.E. PORTABILITY	16
TPS-V.F. PAYMENT STANDARDS	18
TPS-V.G. TERMINATION OF VOUCHERS.....	19
PART VI: USE OF FUNDS, REPORTING, AND FINANCIAL RECORDS	20
REVISION HISTORY FOR ADMINISTRATIVE PLAN.....	1

Administrative Plan Table of Contents

INTRODUCTION

ABOUT THE REFERENCES CITED IN THE MODEL ADMINISTRATIVE PLAN

AUTHORITIES FOR POLICIES IN THE MODEL ADMINISTRATIVE PLAN

The authority for HASCO policies is derived from many sources. Primary among these sources are federal statutes, federal regulations, and guidance issued by HUD. State law also directs HASCO policy. State law must be followed where such law exists and does not conflict with federal regulations. Industry practice may also be used to develop policy as long as it does not conflict with federal requirements or prohibitions.

HUD

HUD provides the primary source of HASCO policy through federal regulations, HUD notices, and handbooks. Compliance with federal regulations, current HUD notices, and current HUD handbooks is mandatory.

HUD also provides guidance to HASCO through other means such as HUD-published guidebooks, expired HUD notices, and expired handbooks. Basing HASCO policy on HUD guidance is optional, as long as HASCO policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, HASCO reliance on HUD guidance provides HASCO with a “safe harbor.”

Material posted on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations in various aspects of the program.

State Law

Where there is no mandatory federal guidance, HASCO must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, HASCO should follow the state law.

Industry Practice

Where no law or HUD authority exists on a particular subject, industry practice may support HASCO policy. Industry practice refers to a way of doing things or a policy that has been adopted by a majority of PHAs.

RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN

The model administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model administrative plan may contain the entire name of the document or resource. Following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the model administrative plan or that may be helpful to you.

HUD HCV Guidebook

In November 2019 HUD began issuing a new version of the HCV Guidebook chapter-by-chapter. Unlike the previous version of the HCV Guidebook in which chapters were numbered, the new version of the guidebook includes chapter names, but no numbers. As the new version of the guidebook has not yet been fully released, and since the previous version of the guidebook contains guidance not found in the new version, this document cites both versions of the guidebook. Therefore, where the HCV Guidebook is cited in this document, the citation will make a distinction between the “old” and “new” versions of the guidebook. The “old” version of the guidebook will continue to be cited as HCV GB with a chapter/page reference (example: HCV GB, p. 5-4). If HUD has also released a new chapter on the same topic with information that either adds new information or updates existing information from the previous guidebook, the new guidebook will be cited as New HCV GB with a chapter title and page reference (example: New HCV GB, Payment Standards, p. 11).

Abbreviations

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

Abbreviation	Document
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook
New HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), Various dates of release
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

Resources and Where to Find Them

Following is a list of resources helpful to HASCO or referenced in the model administrative plan, and the online location of each.

Document and Location
Code of Federal Regulations https://www.ecfr.gov
Earned Income Disregard FAQ https://www.hud.gov/program_offices/public_indian_housing/phr/about/ao_faq_eid

Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Final Rule http://edocket.access.gpo.gov/2008/pdf/E8-19435.pdf
Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data https://www.hud.gov/sites/documents/EIVSECGUIDEPHA.PDF
Executive Order 11063 https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_and_related_law#executive%20orders https://www.archives.gov/federal-register/codification/executive-order/11063.html
Federal Register https://www.archives.gov/federal-register
PIH One-Stop Tool (POST) for PHAs https://www.hud.gov/program_offices/public_indian_housing/post
Admission and Occupancy (including income and rent) FAQs https://www.hud.gov/program_offices/public_indian_housing/phr/about/ao_faq_eid
Housing Choice Voucher Program Guidebook www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm
HUD-50058 Instruction Booklet https://www.hud.gov/sites/documents/FORM50058INSTRUCTBOOKLET.PDF
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 https://www.hud.gov/sites/dfiles/FHEO/documents/huddojstatement.pdf
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 https://www.hud.gov/sites/documents/FINALLEP2007.PDF
Notice PIH 2018-24, Verification of Social Security Numbers (SSNs), Social Security (SS), and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report https://www.hud.gov/sites/dfiles/PIH/documents/PIH-2018-24%20EIV%20SSN%20Notice.pdf
Notice PIH 2017-12, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System https://www.hud.gov/sites/documents/17-12PIHN.PDF
Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice https://www.hud.gov/sites/documents/DOC_8993.PDF
OMB Circular A-133

https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A133/a133_revised_2007.pdf
Project-Based Voucher Program; Final Rule http://www.gpo.gov/fdsys/pkg/FR-2005-10-13/pdf/05-20035.pdf
Rental Housing Integrity Improvement Program (RHIIP) https://www.hud.gov/program_offices/housing/mfh/rhiip/mfhrhiip
VAWA Final Rule http://www.gpo.gov/fdsys/pkg/FR-2010-10-27/pdf/2010-26914.pdf
Verification Guidance, March 2004 (attachment to Notice PIH 2004-1) https://www.hud.gov/sites/documents/DOC_9084.PDF

The HUD Web site is <https://www.hud.gov/>.

Guidebooks, handbooks and other HUD resources may be found at the HUDClips Web site:
https://www.hud.gov/program_offices/administration/hudclips.

The new HCV Guidebook may be found at:
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidebook

CHAPTER 1

OVERVIEW OF THE PROGRAM AND PLAN

INTRODUCTION

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

This chapter contains information about HASCO 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 three parts to this chapter:

[Part I: HASCO](#). This part includes a description of HASCO, its jurisdiction, its programs, and its mission and intent.

[Part II: The HCV Program](#). This part contains information about the Housing Choice Voucher program operation, roles and responsibilities, and partnerships.

[Part III: The HCV Administrative Plan](#). This part discusses the purpose and organization of the plan and its revision requirements.

PART I: HASCO

1-I.A. OVERVIEW

This part explains the origin of HASCO's creation and authorization, the general structure of the organization, and the relationship between HASCO Board and staff.

1-I.B. ORGANIZATION AND STRUCTURE OF HASCO

The Section 8 tenant-based Housing Choice Voucher (HCV) assistance program is funded by the federal government and administered by the Housing Authority of Snohomish County for the jurisdiction of Snohomish County, Washington.

The officials of HASCO 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 HASCO conducts business, ensuring that policies are followed by HASCO staff and ensuring that HASCO is successful in its mission. The board is responsible for preserving and expanding the agency's resources and assuring the agency's continued viability.

Formal actions of HASCO are taken through written resolutions, adopted by the board of commissioners and entered into the official records of HASCO.

The principal staff member of HASCO is the executive director (ED), hired and appointed by the board of commissioners. The executive director is directly responsible for carrying out the policies established by the board and is delegated the responsibility for hiring, training and supervising HASCO staff in order to manage the day-to-day operations of HASCO. The executive director is responsible for ensuring compliance with federal and state laws and directives for the programs managed. In addition, the executive director's duties include budgeting and financial planning for the agency.

1-I.C. HASCO'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.

HASCO Policy

HASCO's mission is to meet the diverse needs of Snohomish County residents by expanding housing opportunities that promote stability, strengthen community and provide affordability.

1-I.D. HASCO'S PROGRAMS

The following programs are included under this administrative plan:

HASCO Policy

HASCO's administrative plan is applicable to the operation of the Housing Choice Voucher and Project Based Voucher programs. In addition, the administrative plan addresses policies for the following special programs:

- Family Unification Program (FUP)
- Non-elderly Disabled I & II (NED I&II)
- Section 8 Homeownership Program
- Mainstream Program
- Veterans Administration Supportive Housing Program (VASH)
- Policies related to Emergency Housing Vouchers (EHV) are addressed in the Temporary Policy Supplement attached to this plan.

1-I.E. HASCO'S COMMITMENT TO ETHICS AND SERVICE

As a public service agency, HASCO is committed to providing excellent service to HCV program participants, owners, and to the community. HASCO's standards include:

- Administer applicable federal and state laws and regulations to achieve high ratings in performance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- 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.
- 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.
- Promote fair housing and the equal opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- 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.
- 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.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing HASCO's mission.

- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of HASCO's support systems and a high level of commitment to our employees and their development.

HASCO 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.

PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

1-II.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 reader to better understand 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-II.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. HASCO is afforded choices in the operation of the program which are included in HASCO's administrative plan, a document approved by the board of commissioners of HASCO.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in HASCO'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, HASCO issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, HASCO 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. HASCO 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-II.C. THE HCV PARTNERSHIPS

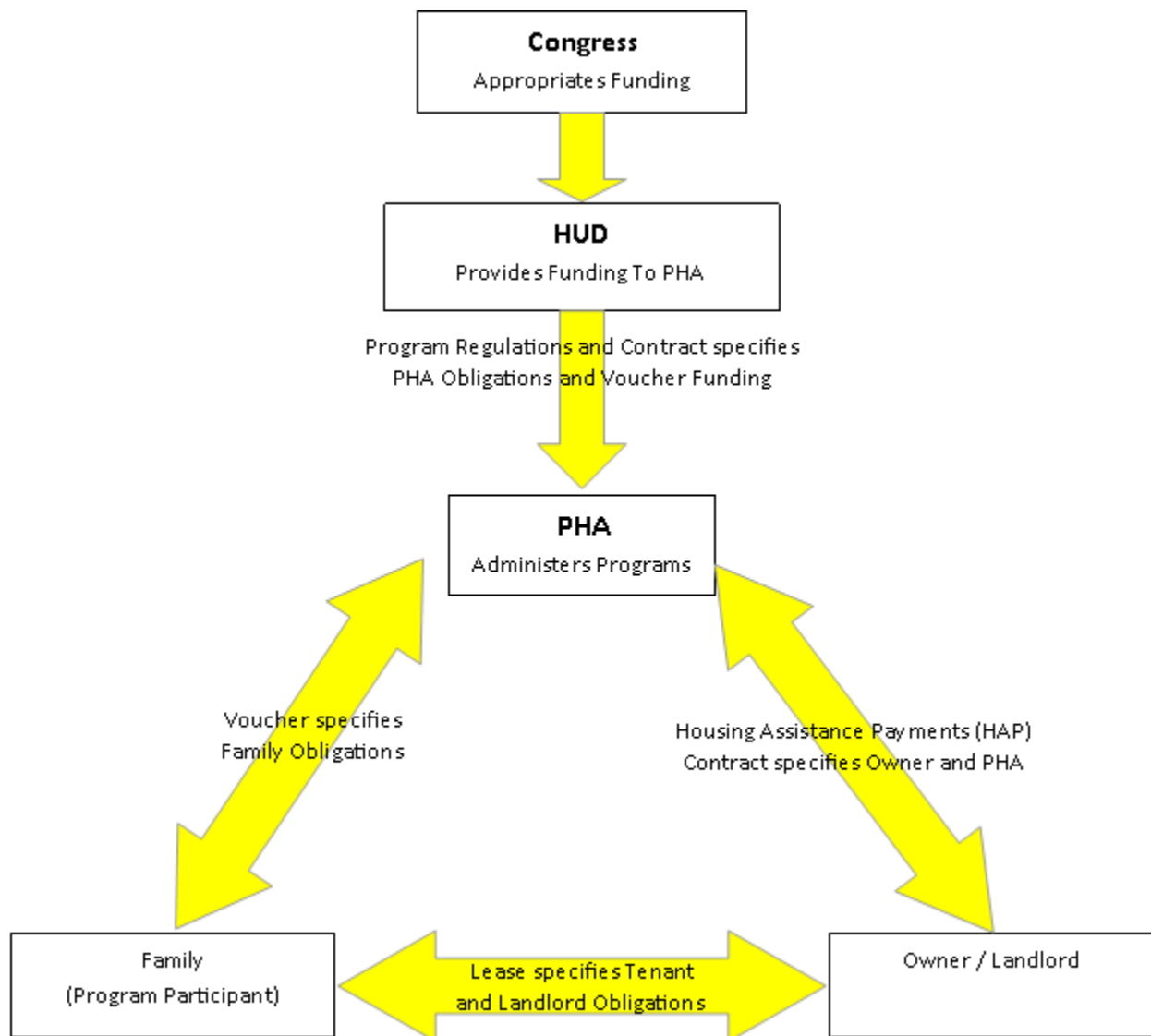
To administer the HCV program, HASCO enters into a contractual relationship with HUD (Consolidated Annual Contributions Contract). HASCO also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved – HUD, HASCO, 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.

The chart below illustrates key aspects of these relationships.

The HCV Relationships:



What Does HUD Do?

HUD has the following major responsibilities:

- Develop regulations, requirements, handbooks, notices and other guidance to implement HCV housing program legislation passed by Congress;
- Allocate HCV program funds to PHAs;
- Provide technical assistance to PHAs on interpreting and applying HCV program requirements;
- Monitor PHA compliance with HCV program requirements and PHA performance in program administration.

What Does HASCO Do?

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

- Establish local policies to administer the program;
- Review applications from interested applicants to determine whether they are eligible for the program;
- Maintain a waiting list and select families for admission;
- Issue vouchers to eligible families and provide information on how to lease a unit;
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration;
- Approve the rental unit (including assuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy;
- Make housing assistance payments to the owner in a timely manner;
- Recertify families for continued eligibility under the program;
- Ensure that owners and families comply with their contractual obligations;
- Provide families and owners with prompt, professional service;
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, HASCO's administrative plan, and other applicable federal, state and local laws.

What Does the Owner Do?

- The owner has the following major responsibilities:
- Screen families who apply for tenancy using their standard screening criteria to determine suitability as renters.
- Comply with the terms of the Housing Assistance Payments contract executed with HASCO;

- Comply with all applicable fair housing laws and do not discriminate against anyone;
- Maintain the housing unit in accordance with Housing Quality Standards (HQS) and make necessary repairs in a timely manner;
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

What Does the Family Do?

The family has the following responsibilities:

- Provide HASCO with complete and accurate information as determined by HASCO to be necessary for administration of the program;
- Make their best and most timely efforts to locate qualified and suitable housing;
- Attend all appointments scheduled by HASCO;
- Allow HASCO to inspect the unit at reasonable times and after reasonable notice;
- Take responsibility for care of the housing unit, including any violations of housing quality standards caused by the family;
- Comply with the terms of the lease with the owner;
- Comply with the family obligations of the voucher;
- Not commit serious or repeated violations of the lease;
- Not engage in drug-related or violent criminal activity;
- Notify HASCO and the owner before moving or terminating the lease;
- Use 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;
- Promptly notify HASCO of any changes in family composition;
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

1-II.D. APPLICABLE REGULATIONS

Applicable regulations include:

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

PART III: THE HCV ADMINISTRATIVE PLAN

1-III.A. OVERVIEW AND PURPOSE OF THE PLAN

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 HASCO's agency plan. This administrative plan is a supporting document to HASCO's agency plan, and is available for public review as required by CFR 24 Part 903.

This administrative plan is set forth to define HASCO's local policies for operation of the housing programs in accordance with federal laws and regulations. All issues related to the HCV program 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.

HASCO 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.

Administration of the HCV program and the functions and responsibilities of HASCO staff shall be in compliance with HASCO's personnel policy and HUD regulations as well as all federal, state and local fair housing laws and regulations.

1-III.B. CONTENTS OF THE PLAN [24 CFR 982.54]

The HUD regulations at 24 CFR 982.54 define the policies that must be included in the administrative plan. They are as follow:

- Selection and admission of applicants from HASCO's waiting list, including any HASCO admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening HASCO's waiting list ([Chapter 4](#));
- Issuing or denying vouchers, including HASCO policy governing the voucher term and any extensions of the voucher term. If HASCO decides to allow extensions of the voucher term, HASCO's administrative plan must describe how HASCO determines whether to grant extensions, and how HASCO determines the length of any extension ([Chapter 5](#));
- Any special rules for use of available funds when HUD provides funding to HASCO for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families ([Chapter 4](#));
- 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](#));
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration ([Chapter 13](#));

- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit ([Chapter 2](#));
- Providing information about a family to prospective owners ([Chapters 3](#) and [9](#));
- Disapproval of owners ([Chapter 13](#));
- Subsidy standards ([Chapter 5](#));
- Family absence from the dwelling unit ([Chapter 12](#));
- How to determine who remains in the program if a family breaks up ([Chapter 3](#));
- Informal review procedures for applicants ([Chapter 16](#));
- Informal hearing procedures for participants ([Chapter 16](#));
- 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](#));
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) ([Chapter 8](#));
- Special policies concerning special housing types in the program (e.g., use of shared housing) ([Chapter 15](#));
- Policies concerning payment by a family to HASCO of amounts the family owes HASCO ([Chapter 16](#));
- Interim redeterminations of family income and composition ([Chapter 11](#));
- Restrictions, if any, on the number of moves by a participant family ([Chapter 10](#));
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve ([Chapter 16](#));
- Procedural guidelines and performance standards for conducting required housing quality standards inspections ([Chapter 8](#)); and
- HASCO screening of applicants for family behavior or suitability for tenancy ([Chapter 3](#)).

Mandatory vs. Discretionary Policy

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices, and legal opinions, and
- Optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects HASCO to adopt local policies and procedures that are consistent with mandatory policies in areas where HUD gives HASCO discretion. HASCO's administrative plan is the foundation of those policies and procedures. HUD's directions require HASCO to make policy

choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Creating policies based upon HUD guidance is not mandatory, but provides HASCO with a “safe harbor.” HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If HASCO 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 HASCO would carefully think through those decisions.

1-III.C. ORGANIZATION OF THE PLAN

The plan is organized to provide information to users in particular areas of operation.

1-III.D. UPDATING AND REVISING THE PLAN

HASCO will revise this administrative plan as needed to comply with changes in HUD regulations. The original plan and any changes must be approved by the board of commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

HASCO Policy

HASCO will review and update the plan at least once a year, and more often if needed, to reflect changes in regulations, HASCO operations, or when needed to ensure staff consistency in operation.

CHAPTER 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring HASCO 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 processes. The responsibility to further nondiscrimination pertains to all areas of HASCO's housing choice voucher (HCV) operations.

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

[Part I: Nondiscrimination](#). This part presents the body of laws and regulations governing the responsibilities of HASCO regarding nondiscrimination.

[Part II: 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 III: Improving Access to Services for Persons With Limited English Proficiency \(LEP\)](#). This part details the obligations of HASCO 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*.

[HASCO Policy](#)

HASCO posts Fair Housing information on its website at www.hasco.org.

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require HASCO to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. HASCO 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:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- 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 and further clarified in Notice PIH 2014-20
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

HASCO Policy

HASCO will comply fully with Washington State law against discrimination that prohibits discriminatory practices in the areas of accommodation, and in real estate transactions on the basis of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory mental, or physical disability or the use of a service/emotional support animal by a person with a disability; and prohibits retaliation against persons who oppose a discriminatory practice, and those who file health care and state employee whistleblower complaints.

HASCO will also comply fully with any other applicable laws against discrimination.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as HASCO policies, can prohibit discrimination based on other factors.

HASCO shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”)

Familial status includes 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.

HASCO will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12; Executive Order 13988].

HASCO Policy

HASCO will comply fully with the Washington State Law Against Discrimination (RCW Chapter 49.60) and any other applicable laws against discrimination including, but not limited to: The Snohomish County Human Rights Ordinance, as amended on November 14, 2011.

HASCO will not use any of these factors to:

- 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
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Subject anyone to sexual harassment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- 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

Providing Information to Families and Owners

HASCO must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, HASCO 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]. 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.

Discrimination Complaints

If an applicant or participant believes that any family member has been discriminated against by HASCO or an owner, the family should advise HASCO. HASCO should make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, HASCO is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

Upon receipt of a housing discrimination complaint, HASCO is required to:

- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted
- Keep records of all complaints, investigations, notices, and corrective actions [Notice PIH 2014-20]

HASCO Policy

Applicants or participants who believe that they have been subject to unlawful discrimination may notify HASCO either orally or in writing.

HASCO will attempt to remedy discrimination complaints made against HASCO.

HASCO will provide a link to the discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

HASCO will direct participants who believe they have been discriminated against because of their Source of Income to seek legal assistance if they wish to pursue a claim. HASCO may provide a list of legal-aid resources in the community that may be able to assist them with a claim.

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

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.

HASCO must ensure that persons with disabilities have full access to HASCO's programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

HASCO Policy

HASCO 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 HASCO.

A specific name and phone number of designated staff who will process requests for accommodation will be provided to applicants and participants.

HASCO will display posters and other housing information and signage in locations throughout HASCO's office in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

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. For example, reasonable accommodations may include making home visits, extending the voucher term, or approving an exception payment standard in order for a participant to lease an accessible dwelling unit. Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for HASCO, 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.

TYPES OF REASONABLE ACCOMMODATION

When needed, HASCO will modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside HASCO's range) if HASCO determines this is necessary to enable a person with disabilities to obtain a suitable housing unit

- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with HASCO staff

2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that HASCO 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].

The family must explain what type of accommodation is needed to provide the person with the disability full access to HASCO's programs and services.

If the need for the accommodation is not readily apparent or known to HASCO, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

HASCO Policy

HASCO will encourage the family to make its request in writing using a reasonable accommodation request form. However, HASCO will consider the requested accommodation any time the family indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed due to a disability, whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in [Exhibit 2-1](#) at the end of this chapter. 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.

Before providing an accommodation, HASCO must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to HASCO's programs and services.

If a person's disability is obvious or otherwise known to HASCO, 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].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to HASCO, HASCO 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.

When verifying a disability, HASCO 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:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]
- HASCO must request only information that is necessary to evaluate the disability-related need for the accommodation. HASCO will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that HASCO does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, HASCO will dispose of it. In place of the information, HASCO 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-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMODATION

[Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26].

HASCO must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on HASCO, or fundamentally alter the nature of HASCO's HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the overall size of HASCO's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, HASCO may enter into discussion and negotiation with the family, request more information from the family, or may

require the family to sign a consent form so that HASCO may verify the need for the requested accommodation.

HASCO Policy

After a request for an accommodation is presented, HASCO will respond with a decision or a status update within 10 business days.

The TBA Management will determine if they can immediately approve the request. If they are not able to approve immediately, the request is submitted to the Reasonable Accommodation (RA) committee for a determination.

If HASCO denies a request for an accommodation because there is no relationship, or nexus, found between the disability and the requested accommodation, the notice will inform the family of the right to appeal HASCO's decision through an informal review (if applicable) or informal hearing (see [Chapter 16](#)).

If HASCO denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of HASCO's operations), HASCO 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.

If HASCO and the family have failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, HASCO 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-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require HASCO to ensure that persons with disabilities related to hearing and vision have reasonable access to HASCO's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, HASCO shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

HASCO Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

When visual aids are used in public meetings or presentations, or in meetings with HASCO staff, one-on-one assistance will be provided upon request.

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-II.G. PHYSICAL ACCESSIBILITY

HASCO must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

HASCO's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern HASCO's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.
- HASCO's Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of HASCO facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, HASCO will include a current list of available accessible units known to HASCO and will assist the family in locating an available accessible unit, if necessary.

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-II.H. DENIAL OR TERMINATION OF ASSISTANCE

HASCO'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)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of HASCO'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 hearing process.

When a participant family's assistance is terminated, the notice of termination must inform them of HASCO's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, HASCO must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to HASCO's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, HASCO must make the accommodation.

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2-III.A. OVERVIEW

Language for persons with Limited English Proficiency (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 HCV program. In certain circumstances, failure to ensure that persons with LEP 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*.

HASCO 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).

Persons with LEP are 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, persons with LEP are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by persons with LEP, HASCO will balance the following four factors: (1) the number or proportion of persons with LEP eligible to be served or likely to be encountered by the Housing Choice Voucher program; (2) the frequency with which persons with LEP come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to HASCO and costs. Balancing these four factors will ensure meaningful access by persons with LEP to critical services while not imposing undue burdens on HASCO.

2-III.B. ORAL INTERPRETATION

HASCO will offer competent interpretation services free of charge, upon request, to the person with LEP .

HASCO Policy

HASCO will utilize a language line for telephone interpreter services. For in-person meetings, HASCO may use a language line or professional interpreter to provide translation. Bilingual HASCO staff may be utilized to provide interpretation as needed.

When exercising the option to conduct remote briefings, informal reviews, or hearings, however, HASCO may coordinate with a remote interpretation service which, when available, uses video conferencing technology rather than voice-only interpretation.

Persons with LEP 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

HASCO. HASCO, at its discretion, may choose to use its regular language line in addition to a family-provided interpreter of their choosing. The interpreter may be a family member or friend. If the interpreter chosen by the family is a minor, HASCO will not rely on the minor to serve as the interpreter.

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

Where feasible and possible, according to HASCO's language assistance plan (LAP), HASCO will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

HASCO Policy

In order to comply with written-translation obligations, HASCO will take the following steps while not imposing undue burdens on HASCO:

HASCO will provide written translation of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, HASCO 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 cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, HASCO shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If HASCO 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 persons with LEP to HASCO's Housing Choice Voucher program and services.

HASCO Policy

HASCO has determined it is appropriate to develop a written LEP plan and the following five steps will be taken: (1) Identifying individuals with LEP who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to persons with LEP; and (5) 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 HASCO) 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 HCV 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 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 \$480 dependent 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 HCV program, yet an accommodation is needed to provide equal opportunity.

CHAPTER 3

ELIGIBILITY

INTRODUCTION

HASCO 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 HASCO to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program:

- The applicant family must:
 - Qualify as a family as defined by HUD and HASCO.
 - Have income at or below HUD-specified income limits.
 - Qualify on the basis of citizenship or the eligible immigrant status of family members.
 - Provide social security number information for household members as required.
 - Consent to HASCO's collection and use of family information as provided for in HASCO-provided consent forms.
 - Not currently be receiving a duplicative subsidy.
- HASCO must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or HASCO.

This chapter contains three parts:

[Part I: Definitions of Family and Household Members](#). This part contains HUD and HASCO definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

[Part II: Basic Eligibility Criteria](#). This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

[Part III: Denial of Assistance](#). This part covers factors related to an applicant's past or current conduct that can cause HASCO to deny assistance.

PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

3-I.A. OVERVIEW

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

3-I.B. FAMILY AND HOUSEHOLD [24 CFR 982.201(C); FR NOTICE 02/03/12; NOTICE PIH 2014-20; SECTION 8(X)(2)(B) OF THE U.S. HOUSING ACT OF 1937 (42 U.S.C. 1437F(X)(2)(B))]

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

Family

To be eligible for assistance, an applicant must qualify as a family. *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: a single person, who may be an elderly person, a [youth](#), disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. HASCO has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.

Sexual orientation means homosexuality, heterosexuality, or bisexuality.

HASCO Policy

A family includes one or more individuals who may or may not be related by blood, marriage, adoption, or other operation of law and who either

- can demonstrate that they have lived together previously or
- certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application and must notify HASCO if the family's composition changes.

Family composition can be, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, 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 a [youth](#)
- 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 members do not include roommates and roommates may not be included on a family's voucher. Roommate is defined as an individual living in a room of a housing unit whose income and other resources are not available to meet the needs of the family.

Household

Household is a broader term that includes additional people who, with HASCO's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.3-I.C. FAMILY BREAKUP AND REMAINING MEMBER OF TENANT FAMILY

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

Except under the following conditions, HASCO has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, HASCO 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-IX.D of this plan](#).)
- If a court determines the disposition of property between members of the assisted family, HASCO is bound by the court's determination of which family members continue to receive assistance.

HASCO Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision or an agreement among the original family members, HASCO will determine which family will retain their placement on the waiting list or continue to receive assistance. In making its determination, HASCO will take into consideration the following factors:

- the interest of any minor children, including custody arrangements;
- the interest of any ill, elderly, or disabled family members;

- the interest of any family member who is 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;
- any possible risks to family members as a result of criminal activity; and
- the recommendations of social service professionals.

Remaining Member of a Tenant Family [24 CFR 5.403]

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. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

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-I.B.](#) for the policy on “Caretakers for a Child.”

3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(B)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. 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.

HASCO Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

If the Head of Household passes away, leaves the household, desires a new Head of Household or Co-head, or no longer has the capacity to enter into a lease, the voucher will be re-assigned to an eligible remaining household member. To be eligible, the remaining household member must meet all three of the following conditions:

1. The household member is an adult or emancipated minor able to legally enter into a lease (an adult may be approved to be added to the household if all remaining members are children) and;
2. The household member is not the live-in aide or live-in aide’s family and;
3. The household member was included on the original application at time of application to the waiting list OR has been residing in the assisted unit as part of the approved household for at least two years.

If there are no eligible remaining household members to re-assign the voucher to, the assistance to the household will end when the head of household is removed.

3-I.E. SPOUSE, COHEAD, AND OTHER ADULT

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

HASCO Policy

A *marriage partner* includes the partner in a domestic partnership or common law marriage as defined in state law. The term “spouse” does not apply to friends, roommates, or others who are not domestic partners or common law marriage partners. A minor who is emancipated under state law may be designated as a spouse or domestic partner.

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.

HASCO Policy

Minors who are emancipated under state law may be designated as a cohead.

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.

3-I.F. DEPENDENT [24 CFR 5.603]

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a dependent allowance as described in [Chapter 6](#).

Joint Custody of Dependents

HASCO Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 50 percent or more of the time.

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, HASCO will make the determination based on available documents such as court orders, school records, or an IRS return showing which family has claimed the child for income tax purposes.

3-I.G. FULL-TIME STUDENT [24 CFR 5.603; HCV GB]

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 be full-time is defined by the educational institution.

Identifying each FTS is important because: (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent allowance, and (2) the earned income of such an FTS is treated differently from the income of other family members.

3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 AND 5.403, FR NOTICE 02/03/12]

Elderly Persons

An *elderly person* is a person who is at least 62 years of age.

Near-Elderly Persons

A *near-elderly person* is a person who is 50-61 years of age.

Elderly Family

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because elderly families qualify for the elderly family allowance as described in [Chapter 6](#).

3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR NOTICE 02/03/12]

Persons with Disabilities

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. The technical definitions of individual 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.

As discussed in [Chapter 2](#), HASCO must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family

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 the disabled family allowance as described in [Chapter 6](#).

Even though persons with drug or alcohol dependencies are considered persons with disabilities, this does not prevent HASCO from denying assistance for reasons related to alcohol and drug abuse in accordance with the policies found in [Part III](#) of this chapter, or from terminating assistance in accordance with the policies in [Chapter 12](#).

3-I.J. GUESTS [24 CFR 5.100]

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent.

HASCO Policy

A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return. Minors and college students who are immediate members of the Head of Household family, but, who now live away from home during the school year and are no longer on the lease may visit up to 90 consecutive days per year without being considered a member of the household.

3-I.K. FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults who are living with an applicant or who have been approved by HASCO to live with a participant 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; HUD-50058 IB, p. 13].

HASCO Policy

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.

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.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in [Section 3-I.L.](#)

3-I.L. ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

Definitions of Temporarily and Permanently Absent

HASCO Policy

Generally an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HASCO Policy

A full time student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses is considered permanently absent.

Absences Due to Placement in Foster Care [24 CFR 5.403]

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

HASCO Policy

If the family includes a child or children temporarily absent from the home due to placement in foster care, legal guardianship, or custody of the state, HASCO will determine from the appropriate agency when the child/children will be returned to the home.

If the period is greater than 12 months from the date of removal of the child/children, the child/children will not be considered part of the household.

Absent Head, Spouse, or Cohead

HASCO Policy

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.

Family Members Permanently Confined for Medical Reasons [HCV GB]

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].

HASCO Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

HASCO will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent. If the family certifies that the family member is confined on a permanent basis, HASCO will consider any additional documentation or evidence the family presents.

Return of Permanently Absent Family Members

HASCO Policy

The family must request HASCO approval for the return of any adult family members that HASCO has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

3-I.M. LIVE-IN AIDE

A *live-in aide* is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

HASCO must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. Because live-in aides are not *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family.

HASCO Policy

A live-in aide is treated differently than family members: (1) Live-in aides are not subject to the citizenship rule requirements; (2) A live-in aide who is not a member of the family is not required to share a bedroom with another member of the household; (3) A live-in aide's family members may reside in the unit provided that:

- There is not an increase in the subsidy by the cost of an exclusive bedroom; and
- The presence of the live-in aide's family does not overcrowd the unit.

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family will be asked to provide updated verification that the family has a continuing need for a live-in

aide. This updated verification will be required at each annual reexamination unless a provider has verified the need for a live-in aide as a permanent need or for a specific duration lasting longer than a year..

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is

- not obligated for the support of the person(s) needing the care; and
- would not be living in the unit except to provide the necessary supportive services.

HASCO will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

- The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to HASCO or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

HASCO will notify the family of its decision in writing within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request.

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the *Federal Register*. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes as discussed in this section.

Definitions of the Income Limits [24 CFR 5.603(b)]

Low-income family. A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

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.

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.

Area median income is determined by HUD, with adjustments for smaller and larger families. 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.

Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. In order to be income eligible, an applicant family must be one of the following:

- A very low-income family

HASCO Policy

VASH applicants must be a low-income family.

- 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)]

HASCO Policy

HASCO will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were selected from HASCO's waiting list.

- 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

- 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

HUD permits HASCO to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with HASCO's plan and the consolidated plans for local governments within HASCO's jurisdiction.

HASCO Policy

HASCO has not established any additional categories of eligible low-income families.

Using Income Limits for Targeting [24 CFR 982.201]

At least 75 percent of the families admitted to HASCO's program during a HASCO fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if HASCO demonstrates that it has made all required efforts, but has been unable to attract an adequate number of qualified extremely low-income families.

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 counted for income targeting purposes.

Income targeting requirements do not apply for HUD-VASH families.

3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, SUBPART E]

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.

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 HASCO'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.

Declaration [24 CFR 5.508]

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. Those who elect not to contend their status are considered to be ineligible noncitizens. 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. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals

In general, citizens and nationals are required to submit only a signed declaration as verification of their status. However, HUD regulations permit HASCO to request additional documentation of their status, such as a passport.

HASCO Policy

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

Eligible Noncitizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with HASCO's efforts to verify their immigration status as described in [Chapter 7](#). 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.

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].

Ineligible Noncitizens

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. HASCO 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).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. 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. 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.

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. 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 16](#) for a discussion of informal hearing procedures.

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

HASCO 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 HASCO that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to HASCO in accordance with program requirements [24 CFR 5.512(a)].

HASCO Policy

HASCO will not provide assistance to a family before the verification of at least one family member.

When HASCO 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.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with HASCO. The informal hearing with HASCO may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also 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.

Informal hearing procedures are contained in [Chapter 16](#).

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

For new occupants joining the assisted family, HASCO must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, HASCO must grant such an extension for no more than 30 calendar days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

HASCO Policy

HASCO will verify the citizenship status of applicants at the time other eligibility factors are determined.

3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 AND 5.218, NOTICE PIH 2018-24]

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 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 calendar days of the effective date of the initial HAP contract. A detailed discussion of acceptable documentation is provided in [Chapter 7](#).

Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

HASCO must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230; HCV GB]

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, the form HUD-52675 Debts Owed to Public Housing Agencies and Terminations, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. [Chapter 7](#) provides detailed information concerning the consent forms and verification requirements.

HASCO 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)].

3-II.E. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION [24 CFR 5.612, FR NOTICE 4/10/06 FR NOTICE 9/21/16]

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.

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'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 HASCO policy, the income of the student's parents will not be considered in determining the student's eligibility.

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.

Definitions

In determining whether and how the new eligibility restrictions apply to a student, HASCO will rely on the following definitions [FR 4/10/06, p. 18148].

Dependent Child

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. 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. Foster children and foster adults are not considered dependents.

Independent Student

HASCO Policy

HASCO will consider a student “independent” from their parents and the parents’ income will not be considered when determining the student’s eligibility if the following four criteria are all met:

- The individual is of legal contract age under state law.
- The individual has established a household separate from their 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:

- The individual is at least 24 years old by December 31 of the award year for which aid is sought
- 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
- 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
- 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
- The individual is a graduate or professional student
- The individual is married

- The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)
- 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:
 - A local educational agency homeless liaison
 - 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
 - A financial aid administrator
- The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances
- The individual was not claimed as a dependent by their parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.
- 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.

If HASCO 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.

HASCO will verify that a student meets the above criteria in accordance with the policies in [Section 7-II.E](#).

Institution of Higher Education

HASCO 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](#)).

Parents

HASCO Policy

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).

Person with Disabilities

HASCO 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](#)).

Veteran

HASCO Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

Vulnerable Youth

HASCO Policy

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:

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.

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

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:

- A local educational agency homeless liaison
- 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
- A financial aid administrator

Determining Student Eligibility

If a student is applying for assistance on their own, apart from their parents, HASCO 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, HASCO must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from their parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

HASCO Policy

For any student who is subject to the 5.612 restrictions, HASCO will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program
- Determine whether the student is independent from their parents in accordance with the definition of *independent student* in this section

- Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If HASCO determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, HASCO will send a notice of denial in accordance with the policies in [Section 3-III.F](#), and the applicant family will have the right to request an informal review in accordance with the policies in [Section 16-III.B](#).

Determining Parental Income Eligibility

HASCO Policy

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, HASCO will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, HASCO will obtain a joint income declaration and certification of joint income from the parents.
- If the student's parent is widowed or single, HASCO will obtain an income declaration and certification of income from that parent.
- If the student's parents are divorced or separated, HASCO will obtain an income declaration and certification of income from each parent.
- 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, HASCO will require the student to submit a certification describing the circumstances and stating that the student does not receive financial assistance from the other parent. HASCO will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, HASCO will use the income limits for the jurisdiction in which the parents live.

3-II.F. EIV SYSTEM SEARCHES [NOTICE PIH 2018-18; EIV FAQs; EIV SYSTEM TRAINING 9/30/20]

Existing Tenant Search

Prior to admission to the program, HASCO must search for all household members using the EIV Existing Tenant Search module. HASCO must review the reports for any SSA matches involving another PHA or a multifamily entity and follow up on any issues identified. HASCO must provide the family with a copy of the Existing Tenant Search results if requested. At no time may any family member receive duplicative assistance.

If the tenant is a new admission to HASCO, and a match is identified at a multifamily property, HASCO must report the program admission date to the multifamily property and document the notification in the tenant file. The family must provide documentation of move-out from the assisted unit, as applicable.

HASCO Policy

HASCO will contact the PHA or owner identified in the report to confirm that the family has moved out of the unit and obtain documentation of current tenancy status, including a form HUD-50058 or 50059, as applicable, showing an end of participation. HASCO will only approve assistance contingent upon the move-out from the currently occupied assisted unit.

Debts Owed to PHAs and Terminations

All adult household members must sign the form HUD-52675 Debts Owed to Public Housing and Terminations. Prior to admission to the program, HASCO must search for each adult family member in the Debts Owed to PHAs and Terminations module.

If a current or former tenant disputes the information in the module, the tenant should contact HASCO directly in writing to dispute the information and provide any documentation that supports the dispute. If HASCO determines that the disputed information is incorrect, HASCO will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the program.

HASCO Policy

HASCO will require each adult household member to sign the form HUD-52675 once during the eligibility determination. Any new members added to the household after admission will be required to sign the form HUD-52675 prior to being added to the household.

HASCO will search the Debts Owed to PHAs and Terminations module as part of the eligibility determination for new households and as part of the screening process for any household members added after the household is admitted to the program. If any information on debts or terminations is returned by the search, HASCO will determine if this information warrants a denial in accordance with the policies in [Part III](#) of this chapter.

Income and Income Validation Tool (IVT) Reports

For each new admission, HASCO is required to review the EIV Income and IVT Reports to confirm and validate family reported income within 120 days of the IMS/PIC submission date of the new admission. HASCO must print and maintain copies of the EIV Income and IVT reports in the tenant file and resolve any discrepancies with the family within 60 days of the EIV Income or IVT report dates.

PART III: DENIAL OF ASSISTANCE

3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance. In this section we will discuss other situations and circumstances in which denial of assistance is mandatory for HASCO, and those in which denial of assistance is optional for HASCO.

While the regulations state that HASCO must prohibit admission for certain types of criminal activity and give HASCO the option to deny for other types of previous criminal history, more recent HUD rules and OGC guidance must also be taken into consideration when determining whether a particular individual's criminal history merits denial of admission.

When considering any denial of admission, HASCO may not use arrest records as the basis for the denial. Further, HUD does not require the adoption of "One Strike" policies and reminds PHAs of their obligation to safeguard the due process rights of applicants and tenants [Notice PIH 2015-19].

HUD's Office of General Counsel issued a memo on April 4, 2016, regarding the application of Fair Housing Act standards to the use of criminal records. This memo states that a PHA violates the Fair Housing Act when their policy or practice has an unjustified discriminatory effect, even when the PHA had no intention to discriminate. Where a policy or practice that restricts admission based on criminal history has a disparate impact on a particular race, national origin, or other protected class, that policy or practice is in violation of the Fair Housing Act if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the PHA, or if that interest could be served by another practice that has a less discriminatory effect [OGC Memo 4/4/16].

PHAs who impose blanket prohibitions on any person with any conviction record, no matter when the conviction occurred, what the underlying conduct entailed, or what the convicted person has done since then will be unable to show that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest. Even a PHA with a more tailored policy or practice that excludes individuals with only certain types of convictions must still prove that its policy is necessary. To do this, the PHA must show that its policy accurately distinguishes between criminal conduct that indicates a demonstrable risk to resident safety and property and criminal conduct that does not.

Forms of Denial [24 CFR 982.552(a)(2); HCV GB]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

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:

- Age, disability, race, color, religion, sex, or national origin (See [Chapter 2](#) for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- 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 HASCO's jurisdiction under portability. (See [Chapter 10](#).)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- 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-III.G](#).)

3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(A)]

HUD requires HASCO to deny assistance in the following cases:

- 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, HASCO to admit an otherwise-eligible family if the household member has completed a HASCO-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).

HASCO Policy

HASCO will admit an otherwise-eligible family who was evicted from federally assisted housing within the past three years for drug-related criminal activity if HASCO is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program or the person who committed the crime is no longer living in the household.

- HASCO determines that any household member is currently engaged in the use of illegal drugs.

HASCO Policy

Current use of an illegal drug may be established by any reliable evidence of illegal drug use in the past three months. Such evidence may include, but is not limited to,

conviction records, police reports, witness statements or admissions concerning drug use by family member(s).

The use of medical marijuana under lawful prescription prior to admission to the program will not be considered "current use" for purposes of denying admission to the program if the person who used medical marijuana agrees that they will not use marijuana on the premises of federally assisted housing.

- HASCO 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.

HASCO Policy

In determining reasonable cause, HASCO 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. A record or records of arrest will not be used as the sole basis of determining reasonable cause. HASCO will also consider evidence from treatment providers or community-based organizations providing services to household members.

- 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.

HASCO Policy

A conviction may be shown by a conviction record, provided that a criminal conviction record obtained from a law enforcement agency pursuant to 24 CFR 5.903 may be used only if the offender is offered the opportunity to review and contest the criminal history record as provided in 24 CFR 5.903(f).

- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.

HASCO Policy

HASCO will perform a national sex offender registry search of all adult household members. PBV landlords will perform a national sex offender registry search of all adult household members of an applicant's household and members to be added to participant households, and will certify to HASCO for each applicant and member to be added to a participant's household that no adult is a lifetime registered sex offender. The results of the sex offender registry screening will be used to determine applicant eligibility.

3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE

HUD permits, but does not require, HASCO to deny assistance for the reasons discussed in this section.

HASCO Policy

HASCO recognizes that the non-mandatory denial policies may have a disparate impact on families applying for FUP and will admit FUP applicants who would normally be denied assistance under non-mandatory denial criteria based on the following mitigating circumstances when screening applicants:

- Impact of denial on family members who were not involved in act or failure to act
- The family's participation in the service-enriched FUP Keeping Families Together (KFT) program

Criminal Activity [24 CFR 982.553]

HUD permits, but does not require, HASCO to deny assistance if HASCO 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.

HASCO Policy

HASCO will only deny assistance based on criminal activity for HUD Mandatory reasons as listed in section [3-III.B](#).

In making its decision to deny assistance, HASCO will consider the factors discussed in [Section 3-III.E](#). Upon consideration of such factors, HASCO may, on a case-by-case basis, decide not to deny assistance.

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

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

HASCO 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)].

HASCO Policy

HASCO **will** deny assistance to an applicant family if:

- Any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by § 982.552(b)(3).
- The family does not provide information that HASCO or HUD determines is necessary in the administration of the program.
- The family does not provide complete and true information to HASCO.
- Any family member has been evicted from federally assisted housing or terminated from a federally assisted housing program in the last three years.
- The family owes rent or other amounts to any 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.

- 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.
- The family has breached the terms of a repayment agreement entered into with HASCO, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

When denying admission due to family debts as shown in HUD's EIV system, HASCO will provide the family with a copy of the EIV Debt Owed to PHA and Termination report.

If the family wishes to dispute the information in the report, the family must contact the PHA that entered the information in EIV in writing, explaining why EIV information is disputed. The family must also provide a copy of the letter and all applicable verification to the PHA to support the family's claim. HASCO will consider the information provided by the family prior to issuing a notice of denial.

- A family member has engaged in or threatened violent or abusive behavior toward HASCO personnel.
 - Abusive or violent behavior towards HASCO 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.
 - Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to deny assistance, HASCO will consider the factors discussed in [Section 3-III.E](#). Upon consideration of such factors, HASCO may, on a case-by-case basis, decide not to deny assistance.

3-III.D. SCREENING

Screening for Eligibility

HASCO is authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists HASCO in complying with HUD requirements and HASCO policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records, HASCO must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

HASCO Policy

HASCO will perform a criminal background check for every adult household member.

While HASCO has regulatory authority to use criminal conviction records for the purpose of applicant screening for admission, there is no corresponding authority to use these records to check for criminal and illegal drug activity by participants, and therefore, HASCO may not use records for this purpose.

HASCO 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)].

HASCO Policy

HASCO will screen all applicants to determine whether any household member is subject to a lifetime registration requirement prior to admission.

Additionally, HASCO must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state [Notice PIH 2012-28].

If HASCO proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, HASCO 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)].

Screening for Suitability as a Tenant [24 CFR 982.307]

HASCO has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. HASCO has the authority to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

HASCO Policy

HASCO will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. HASCO must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as: payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

HUD requires HASCO to provide prospective owners with the family's current and prior address (as shown in HASCO records) and the name and address (if known) of the owner at the family's current and prior addresses. HUD permits HASCO 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.

HASCO may not disclose to the owner any confidential information provided to HASCO by the family in response to a HASCO 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)].

HASCO Policy

HASCO 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 initial HQS inspection or before.

HASCO will not provide any additional information to the owner, such as tenancy history or criminal history. etc.

3-III.E. CRITERIA FOR DECIDING TO DENY ASSISTANCE

Evidence [24 CFR 982.553(c)]

HASCO Policy

HASCO will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

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.

Consideration of Circumstances [24 CFR 982.552(c)(2)]

HUD authorizes HASCO 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 mandatory (see [Section 3-III.B](#)).

HASCO Policy

HASCO will consider the following facts and circumstances prior to making its decision:

- The seriousness of the case, especially with respect to how it would affect other residents' safety or property
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure to act
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in [section 3-III.G](#)) a victim of domestic violence, dating violence, sexual assault, or stalking
- 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 recent history and the likelihood of favorable conduct in the future

- Criminal conviction will be considered if it indicates a demonstrable risk to safety and/or property
- 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
 - HASCO 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.

Removal of a Family Member's Name from the Application

Should HASCO's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, HASCO must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, HASCO must deny admission to the family [Notice PIH 2012-28].

For other criminal activity, HASCO may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 982.552(c)(2)(ii)].

HASCO Policy

As a condition of receiving assistance, a family agrees 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, stay as a guest, or reside in the assisted unit. After admission to the program, the family must present evidence of the former family member's current address upon HASCO's request.

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

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

HASCO Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, HASCO will determine whether the behavior is related to the disability. If so, upon the family's request, HASCO will determine whether admitting the family as a reasonable accommodation is appropriate. HASCO 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-III.F. NOTICE OF ELIGIBILITY OR DENIAL

If the family is eligible for assistance, HASCO will notify the family in writing and schedule a tenant briefing, as discussed in [Chapter 5](#).

If HASCO determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe: (1) the reasons for which assistance has been denied, (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See [Chapter 16](#), for informal review policies and procedures.

HASCO Policy

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

If HASCO 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 HASCO 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)]. HASCO 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)].

HASCO Policy

If, based on a criminal record or sex offender registration information, an applicant family appears to be ineligible, HASCO 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. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact HASCO to dispute the information within that 10-business day period, HASCO will proceed with issuing the notice of denial of admission. 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-II.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-III.G.](#)

3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING

The Violence against Women Act of 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit HASCO from denying an applicant admission to the HCV program "on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant otherwise qualifies for assistance or admission."

Definitions of key terms used in VAWA are provided in [section 16-IX](#) of this plan, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

Notification

VAWA 2013 expanded notification requirements to include the obligation for HASCO to provide applicants who are denied assistance with a notice of rights and the form HUD-5382 at the time the applicant is denied.

HASCO Policy

HASCO acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under HASCO's policies. Therefore, if HASCO makes a determination to deny assistance to an applicant family, HASCO will include in its notice of denial the VAWA information described in [section 16-IX.C](#) of this plan as well as including a copy of the form HUD-5382. HASCO will request in writing that an applicant wishing to claim protection under VAWA notify HASCO within 14 business days.

Documentation

Victim Documentation [24 CFR 5.2007]

HASCO Policy

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault or stalking, HASCO will request in writing that the applicant provide documentation supporting the claim in accordance with [section 16-IX.D](#) of this plan.

Perpetrator Documentation

HASCO Policy

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 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; or
- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. 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. The signer must attest under penalty of perjury to their belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

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; *or*

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 their ability to live independently, and is of such a 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; or
- (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 one's self, 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; or
- (c) Has none of the impairments defined in paragraph (1) 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

(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
 - (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 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
 - (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.

CHAPTER 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

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

HASCO is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures 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 HASCO that justify their selection. Examples of this are the selection of families for income targeting and the selection of families that qualify for targeted funding.

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

This chapter describes HUD and HASCO 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 I: 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 HASCO will handle the applications it receives.

[Part II: Managing the Waiting List](#). This part presents the policies that govern how HASCO'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 HASCO will use to keep the waiting list current.

[Part III: Selection for HCV Assistance](#). This part describes the policies that guide HASCO in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that HASCO has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes HASCO policies for making applications available, accepting applications making preliminary determinations of eligibility, and the placement of applicants on the waiting list. This part also describes HASCO's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

4-I.B. APPLYING FOR ASSISTANCE [NOTICE PIH 2009-36, HCV GB]

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits HASCO to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by HASCO. HASCO must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of HASCO's application.

HASCO Policy

The regular HCV waiting list is closed..When HASCO determines that families currently on the waiting list will be served within the next year, the waiting list will be opened and applications will be accepted. The waiting list remains open for the targeted funding voucher categories that require referrals from partner agencies as well as for the local preferences for project-based voucher assistance units and for emergency transfers under VAWA protection.

FUP, NED II, VASH and PBV: A one-step process will be used for targeted funding voucher categories of FUP, NED II, and VASH, as well as the local preference for project-based voucher assistance units, since it is expected that a family will be selected from the HCV waiting list within 60 calendar days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

NED I, Mainstream, and regular HCV: A two-step process will be used for regular HCVs and the targeted funding voucher categories of Mainstream and NED I, since it is expected that a family will not be selected from the HCV waiting list for at least 60 calendar days from the date of application. Under the two-step application process, HASCO will initially require families to provide only the information needed to make a preliminary assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

When applications are being accepted, families may apply on HASCO's website. The public notice for a wait list opening will include instructions on when the wait list will be open, when it will close, where to apply and who to contact for assistance.

Applications must be complete in order to be accepted by HASCO for processing. If an application is incomplete, HASCO will notify the family of the additional information required.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

Elderly and Disabled Populations [24 CFR 8 and HCV GB]

HASCO must take steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard HASCO application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). HASCO must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or HASCO must provide an alternate approach that provides full access to the application process. [Chapter 2](#) provides a full discussion of HASCO's policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

HASCO is required to take reasonable steps to ensure equal access to their programs and activities by persons with limited English proficiency [24 CFR 1]. [Chapter 2](#) provides a full discussion on HASCO's policies related to ensuring access to people with limited English proficiency (LEP).

4-I.D. PLACEMENT ON THE WAITING LIST

HASCO must review each complete application received and make a preliminary assessment of the family's eligibility. HASCO must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, HASCO must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

Ineligible for Placement on the Waiting List

HASCO Policy

HASCO does not determine eligibility until the family comes to the top of the waiting list.

Eligible for Placement on the Waiting List

HASCO Policy

HASCO will send written notification of placement on the waiting list within 30 calendar days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by HASCO.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

HASCO must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how HASCO may structure its waiting list and how families must be treated if they apply for assistance from HASCO that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 AND 205]

HASCO's HCV waiting list must be organized in such a manner to allow HASCO to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires HASCO to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. HASCO is permitted, but not required, to maintain a separate waiting list for each county or municipality served.

HASCO Policy

HASCO will maintain a single waiting list for the HCV program.

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 HASCO operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that HASCO maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

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.

HASCO Policy

HASCO will not merge the HCV waiting list with the waiting list for any other program HASCO operates.

All applicants on the regular tenant-based assistance wait list are permitted to apply for project-based housing, if they meet the qualifications for the PBV project (e.g., elderly, disabled) and qualify for the appropriate bedroom size.

For non-HASCO managed PBV properties, HASCO will provide contact information for PBV owners to families on HASCO's waiting list who may qualify for the PBV units, so they have an opportunity to receive PBV assistance. This may be done through mailings, by phone, or by providing information on the HASCO website and/or in the HASCO main office lobby. Families must then contact the owner to receive a referral for PBV assistance.

For HASCO managed PBV properties, families may apply for those properties at the same time they apply for regular tenant-based assistance.

4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]

Closing the Waiting List

HASCO is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, HASCO may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

HASCO Policy

HASCO may close the waiting list when the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where HASCO has particular preferences or funding criteria that require a specific category of family, HASCO may elect to continue to accept applications from these applicants while closing the waiting list to others.

Reopening the Waiting List

If the waiting list has been closed, it cannot be reopened until HASCO publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

HASCO Policy

HASCO will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

HASCO will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

- HASCO Website: www.hasco.org
- The Everett Herald

4-II.D. FAMILY OUTREACH [HCV GB]

HASCO must conduct outreach as necessary to ensure that HASCO has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires HASCO to admit a specified percentage of extremely low-income families to the program (see [Chapter 4, Part III](#)), HASCO may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB].

HASCO outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

HASCO outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

HASCO Policy

HASCO will monitor the characteristics of the population being served and the characteristics of the population as a whole in HASCO's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

HASCO Policy

While the family is on the waiting list, the family must inform HASCO of changes in contact information within 20 calendar days, including current residence, mailing address, and phone number. The changes must be submitted via the online applicant portal.

4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]

HUD requires HASCO to establish policies to use when removing applicant names from the waiting list.

Purging the Waiting List

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a HASCO request for information or updates, and HASCO determines that the family did not respond because of the family member's disability, HASCO must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

HASCO Policy

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.

To update the waiting list, HASCO will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that HASCO has on record for the family. The update request will provide a deadline and communication methods by which the family must respond and will state that failure to respond by the deadline will result in the applicant's name being removed from the waiting list.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, and it is clear that HASCO made an error in addressing the original notice, then the notice will be forwarded to the correct address. Otherwise, the applicant will be removed from the waiting list without further notice.

If a family is removed from the waiting list for failure to respond, HASCO may reinstate the family if it is determined that the lack of response was due to HASCO error, or to circumstances beyond the family's control.

Removal from the Waiting List

HASCO Policy

If at any time while an applicant family is on the waiting list, HASCO determines that the family is not eligible for assistance (see [Chapter 3](#)), the family will be removed from the waiting list.

If a family is removed from the waiting list because HASCO has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to

request an informal review regarding HASCO's decision (see [Chapter 16](#)) [24 CFR 982.201(f)].

PART III: SELECTION FOR HCV ASSISTANCE

4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families are selected from the waiting list depends on the selection method chosen by HASCO and is impacted in part by any selection preferences for which the family qualifies. The availability of targeted funding also may affect the order in which families are selected from the waiting list.

HASCO must maintain a clear record of all information required to verify that the family is selected from the waiting list according to HASCO's selection policies [24 CFR 982.204(b) and 982.207(e)].

4-III.B. SELECTION AND HCV FUNDING SOURCES

Special Admissions [24 CFR 982.203]

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, HASCO may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. HASCO must maintain records showing that such families were admitted with special program funding.

Targeted Funding [24 CFR 982.204(e)]

HUD may award HASCO funding for a specified category of families on the waiting list. HASCO must use this funding only to assist the families within the specified category. In order to assist families within a targeted funding category, HASCO may skip families that do not qualify within the targeted funding category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in [Section 4-III.C](#).

HASCO Policy

HASCO administers the following types of targeted funding vouchers:

Targeted Program	Target Population	Method for Adding Families to the Waiting List
Family Unification Program (FUP)	Families for whom the lack of adequate housing is the primary factor in separation, or the threat of imminent separation, of children from the family; and youths ages 18-24 who left or are leaving foster care and lack adequate housing.	Referrals verified by the Washington State Department of Children, Youth and Families (DCYF)
Mainstream	Families where at least one member is a non-elderly disabled (NED) adult (between the ages of 18 and 61 and has a disability)	Referral from a partner agency or direct application
Non-Elderly Disabled I (NED I)	Families where the head, co-head, spouse, or sole member is an NED adult (between the ages of 18-61 and has a disability)	Direct application
Non-Elderly Disabled II (NED II)	Families where the head, co-head, spouse, or sole member is an NED adult (between the ages of 18-61 and has a disability) and is transitioning out of an institution	Referral from the Washington State Department of Social and Health Services (DSHS)
Veterans Affairs Supportive Housing (VASH)	Veterans experiencing homelessness	Referral from the U.S Department of Veterans Affairs (VA)
Emergency Housing Vouchers (EHV)	Individuals and families ¹ who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability, as defined in PIH 2021-15.	Referral from the Coordinated Entry / Continuum of Care system (CE / COC)

Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in [Section 4-III.C](#).

4-III.C. SELECTION METHOD

HASCO must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that HASCO will use [24 CFR 982.202(d)].

Local Preferences [24 CFR 982.207; HCV p. 4-16]

HASCO is permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits HASCO to establish other local preferences, at its discretion. Any local preferences established must be consistent with HASCO'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.

HASCO Policy

HASCO has established the following local preferences on the regular HCV waiting list for voucher assistance:

Local Preferences without a Cap:

- Another PHA has requested assistance for an applicant with an urgent housing need;
- The applicant is referred by an owner for a project-based voucher-assisted unit;
- The applicant resides in a current participant's household, and is not the head, and is deemed by the Executive Director to be inappropriately housed;
- The applicant is displaced due to a federally or state-declared disaster;
- The applicant has lived in a PBV unit for less than one year and is making an emergency transfer under VAWA protection. See section [16-IX.D](#) in this plan for documentation requirements;
- The applicant is displaced from a HUD multifamily project-based Section 8-assisted unit in Snohomish County due to a disaster or emergency, resulting in the unit being unsuitable for occupancy for at least 60 calendar days.
- Living in a property with income restrictions of at least 50% of units at 80% or less of AMI and has received formal notice from the landlord that the property is shutting down within 12 months.

Local Preference Capped at 220 Families:

Effective June 1, 2020 – August 19, 2021, the following local preference was capped at 220 families and applied to regular HCVs, as well as NED I and Mainstream targeted funding vouchers. *The Local preference expired on August 19, 2021 when the 220th voucher was issued under the preference.*

- The applicant family includes at least one person who is a non-elderly adult (ages 18-61) with a disability, and who also meets one of the following additional criteria (definitions in the [Glossary](#)):

- Transitioning out of an institution or other segregated setting;
- At serious risk of institutionalization;
- Homeless; or
- At risk of becoming homeless
- Successfully participating in permanent supportive housing in Snohomish County

The capped preference applies once. Upon turnover, vouchers will not be subject to the capped preference.

All preferences are treated equally. When multiple applicants qualify for a preference, their applications will be selected from the waiting list based on the date and time of the application.

Determination of Local Preference Qualification:

Preference-determining information will be updated as applicants are selected from the waiting list. When an applicant is selected from the waiting list, HASCO will obtain necessary verifications of preference through the intake application process and third-party verification. See [section 7-II.H](#) for further information on acceptable documentation to verify qualification for a local preference.

If an applicant makes a false statement to qualify for a local preference, HASCO will deny the family the local preference and admission to the program.

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

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

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)].

HASCO Policy

HASCO will monitor progress in meeting the income targeting requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

Income targeting requirements do not apply for HUD-VASH families.

Order of Selection

HASCO system of preferences may select families based on local preferences according to the date and time of application or by a random selection process (lottery) [24 CFR 982.207(c)]. If HASCO does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

HASCO Policy

Families will be selected from the waiting list based on the targeted funding category(ies) and/or local preference(s) for which they qualify. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application was received by HASCO.

Documentation will be maintained by HASCO as to whether families on the list qualify for a targeted funding category and/or local preference.

When a family has been selected from the waiting list, HASCO must notify the family [24 CFR 982.554(a)].

HASCO Policy

HASCO will notify the family by first class mail when it is selected from the waiting list. The notice will include an application packet, a due date for the packet, and a list of documents that must be provided with the application packet to determine eligibility, including information about what constitutes acceptable documentation.

If the notification letter and application packet is returned to HASCO the family will be canceled from the waiting list.

4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, HASCO must notify the family [24 CFR 982.554(a)].

HASCO Policy

HASCO will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview
- Who is required to attend the interview
- All documents that must be provided at the interview, including information about what constitutes acceptable documentation

If the notification letter with application packet is returned to HASCO, the family will be canceled from the waiting list.

4-III.E. THE APPLICATION INTERVIEW

HUD recommends that HASCO obtain the information and documentation needed to make an eligibility determination through a face-to-face interview with a HASCO representative [HCV GB]. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if HASCO 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 HASCO [Notice PIH 2018-24].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

HASCO Policy

Families selected from the waiting list are required to submit a written application. As part of the application process, all household members must provide appropriate documentation of income, assets and eligibility including proof of social security numbers.

Pending disclosure and documentation of SSNs, HASCO will allow the family to retain its place on the waiting list for 90 calendar days. If not all household members have disclosed their SSNs within the required timeframe, the family is denied housing assistance and HASCO will issue a voucher to the next eligible applicant family on the waiting list.

The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, and must complete required forms, provide required signatures, and submit required documentation. If any materials are missing, HASCO will provide the family with a written list of items that must be submitted within 10 business days. If the required documents and information are not provided, the family will be sent a notice of denial (See [Chapter 3](#)).

An advocate, interpreter, or other assistant may assist the family with the application.

4-III.F. COMPLETING THE APPLICATION PROCESS

HASCO must verify all information provided by the family (see [Chapter 7](#)). Based on verified information, HASCO must make a final determination of eligibility (see [Chapter 3](#)) and must confirm that the family qualified for any special admission, targeted funding admission, or selection preference that affected the order in which the family was selected from the waiting list.

HASCO Policy

Verification of Local Preferences

Prior to being formally selected for housing assistance, applicants who were selected for assistance due to their preliminary qualification for a local preference will be required to document their continued qualification. See [section 7-II.H](#) for documentation required to verify qualification for each local preference.

If a family fails to document its qualification for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, local preference, extremely low-income), the family will be returned to its original position on the waiting list. HASCO will notify the family in writing within 10 business days of the determination that it has been returned to the waiting list and the notice will specify 1) the reasons for which the family has failed to document its qualification, 2) the family's right to request an informal review of the determination, and 3) the process for obtaining the informal review [24 CFR 982.554(a)]. See [Chapter 16](#) for informal review policies and procedures.

If HASCO determines that the family is ineligible, HASCO 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](#)).

If HASCO determines that the family is eligible to receive assistance, HASCO will invite the family to attend a briefing in accordance with the policies in [Chapter 5](#).

CHAPTER 5

BRIEFINGS AND VOUCHER ISSUANCE

INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, HASCO 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 the HUD-required documents and other information the family needs to know in order to lease a unit under the program. Once the family is fully informed of the program's requirements, HASCO issues the family a voucher. The voucher includes the unit size for which the family qualifies based on HASCO's subsidy standards, as well as the issue and expiration date of the voucher. The voucher is the document that authorizes 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 HASCO policies related to these topics in two parts:

[Part I: 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 II: Subsidy Standards and Voucher Issuance](#). This part discusses HASCO'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.

PART I: BRIEFINGS AND FAMILY OBLIGATIONS

5-I.A. OVERVIEW

HUD regulations require HASCO to conduct mandatory briefings for applicant families who qualify for a voucher. The briefing provides a broad description of owner and family responsibilities, explains HASCO'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-I.B. BRIEFING [24 CFR 982.301]

Notification of Briefing

Prior to issuance of a voucher, HASCO must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed in individual face-to-face meetings, through group briefing sessions, or via remote briefing sessions.

HASCO Policy

Families will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will occur by phone, mail or email and will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

The notice will advise the family of the type of briefing, who is required to be present at the briefing, and the date and time of the briefing. The notice will also inform the family of any additional requirements for in-person or remote briefings as addressed in relevant policy elsewhere in this section.

If the family cannot be reached by phone and 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. If the notice is returned by the post office with a forwarding address, the notice will be resent to the address indicated.

In-Person Briefings

At the briefing, HASCO 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](#).

HASCO Policy

In-person briefings will generally be conducted in group meetings. At the family's written request, HASCO may provide an individual briefing.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, HASCO may approve another adult family member to attend the briefing.

Families that attend group briefings and still need individual assistance will be referred to an appropriate HASCO staff person.

Briefings will be conducted in English. For applicants with limited English proficiency (LEP) or difficulty hearing, HASCO will provide interpretation services in accordance with HASCO's LEP plan (see [Chapter 2](#)).

If the family requests an individual briefing due to a physical impairment preventing them from attending an on-site briefing, a HASCO representative may travel to a nursing home or rehabilitation center to accommodate the family's needs.

Attendance

HASCO Policy

Applicants who fail to attend a scheduled in-person briefing will be scheduled for a second briefing automatically. HASCO will notify the family of the date and time of the second briefing. Applicants who fail to attend two scheduled briefings, without HASCO approval, will be denied assistance (see [Chapter 3](#)).

Remote Briefings [Notice PIH 2020-32]

Remote briefings may be conducted over the phone, via video conferencing, or through other virtual platforms.

HASCO Policy

HASCO has the sole discretion to require that briefings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster. If HASCO schedules a remote briefing, HASCO will conduct a face-to-face briefing upon request of the applicant as a reasonable accommodation for a person with a disability if safety and health concerns can be reasonably addressed.

In addition, HASCO will conduct a briefing remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have child care or transportation that would enable them to attend the briefing, or if the applicant believes an in-person briefing would create an undue health risk. HASCO will consider other reasonable requests for a remote briefing on a case-by-case basis.

Accessibility Requirements for Persons with Disabilities and Individuals with LEP

As with in-person briefings, the platform for conducting remote briefings must be accessible and the briefing conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual.

If no method of conducting a remote briefing is available that appropriately accommodates an individual's disability, HASCO may not hold against the individual their inability to participate in the remote briefing, and HASCO should consider whether postponing the remote briefing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances.

Limited English Proficiency (LEP) requirements also apply to remote briefings, including the use of interpretation services and document translation. See [Chapter 2](#) for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote briefings.

Conducting Remote Briefings

HASCO must ensure that the lack of technology or inability to use technology for remote briefings does not pose a disadvantage to families that may not be apparent to HASCO. HASCO must ensure that the family has appropriate technological access in order to fully participate in the remote briefing.

HASCO Policy

At least 10 business days prior to scheduling the remote briefing, HASCO will provide written notification via first class mail or email to families participating in the briefing to advise of technological requirements and to request the family notify HASCO of any known barriers. If any family does not respond within five business days, or if the written notification is returned by the post office or the email is rejected, HASCO will contact the family by telephone to identify potential technological barriers and to determine which technology resources are accessible to the family. HASCO will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person briefing or have a one-on-one briefing over the phone, as appropriate.

HASCO will conduct remote briefings via a video conferencing platform when available. If applicants are unable to adequately access the video conferencing platform, the briefing will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in, the remote briefing will be postponed, and an in-person alternative or one-on-one briefing over the phone will be provided.

HASCO will provide login information and conferencing call-in information and an electronic copy of the briefing packet via email at least five business days before the briefing. HASCO will provide a paper copy of the briefing packet upon family request, and may reschedule the briefing to allow adequate time for the family to receive the physical briefing packet.

HASCO will ensure that all electronic information stored or transmitted as part of the briefing meets the requirements for accessibility for persons with disabilities and

persons with LEP, and is secure, including ensuring personally identifiable information (PII) is protected.

HASCO will ensure that families who participate in remote briefings have the opportunity to ask questions as part of the briefing.

If families lose connectivity during any remote briefing or otherwise feel they were unable to access information presented during the briefing, the family may request a one-on-one briefing over the phone or in person with HASCO.

Oral Briefing [24 CFR 982.301(a)]

Each briefing must provide information on the following subjects:

- How the Housing Choice Voucher program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside HASCO's jurisdiction;
- An explanation of how portability works. HASCO may not discourage the family from choosing to live anywhere in HASCO jurisdiction or outside HASCO jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order;
- The advantages of areas that do not have a high concentration of low-income families; and
- 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.

HASCO Policy

When HASCO-owned units are available for lease, HASCO 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 a HASCO-owned unit.

Briefing for FUP-Y and FUP-FYI participants will include information about the Fostering Stable Housing Opportunities (FSHO) extension opportunity and the requirements that they must meet to receive such an extension.

In briefing a family that includes a person with disabilities, HASCO must also ensure effective communication.

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

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

- The term of the voucher, voucher suspensions, and HASCO's policies on any extensions of the term. If HASCO allows extensions, the packet must explain how the family can request an extension.

- A description of the method used to calculate the housing assistance payment for a family, including how HASCO determines the payment standard for a family, how HASCO determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how HASCO determines the maximum allowable rent for an assisted unit.
- 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.
- The HUD-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.
- A statement of HASCO policy on providing information about families to prospective owners.
- HASCO subsidy standards including when and how exceptions are made.
- Materials (e.g. brochures) on how to select a unit and any other information on selecting a unit that HUD provides (e.g., HUD brochure entitled, "A Good Place to Live").
- 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.
- A list of landlords known to HASCO who may be willing to lease a unit to the family or other resources (e.g. newspapers, organizations, online search tools) known to HASCO that may assist the family in locating a unit. HASCO must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to HASCO.
- 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.
- The grounds on which HASCO may terminate assistance for a participant family because of family action or failure to act.
- HASCO informal hearing procedures including when HASCO is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- An explanation of the advantages of moving to an area that does not have a high concentration of low-income families.

- The HUD pamphlet on lead-based paint entitled, “Protect Your Family from Lead in Your Home.”

Because HASCO is located in a metropolitan 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)]:

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
- Information about the characteristics of these areas including job opportunities, schools, transportation, and other services
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses, and telephone numbers

Additional Items to Be Included in the Briefing Packet

In addition to items required by the regulations, HASCO may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB, Notice PIH 2017-12].

HASCO Policy

HASCO will provide the following additional materials in the briefing packet:

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 (see [section 16-IX.C](#))

- “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2017-12

5-I.C. FAMILY OBLIGATIONS

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. HASCO must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. 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. Violation of any family obligation may result in termination of assistance, as described in [Chapter 12](#).

Time Frames for Reporting Changes Required by Family Obligations

HASCO Policy

Unless otherwise noted below, when family obligations require the family to respond to a request or notify HASCO of a change, notifying HASCO of the request or change within 10 business days is considered prompt notice.

When a family is required to provide notice to HASCO, the notice must be in writing.

Family Obligations [24 CFR 982.551]

The family obligations of the voucher are listed as follows:

- The family must supply any information that HASCO or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by HASCO or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

HASCO Policy

Damages beyond normal wear and tear while tenant resides in the unit are considered those that exceed the process of wearing out or breaking down by regular use. Damages beyond wear and tear are generally avoidable. Some examples of damages that are beyond normal wear and tear include:

Cigarette burns or holes in carpet, heavily soiled or unsanitary carpets	Broken windows, appliances, refrigerator shelves or drawers
Strong odor of pet waste	Chipped/burned countertops
Torn or burned vinyl flooring	Damaged or missing blinds on windows/doors
Missing or misassembled light fixtures	Missing or disabled smoke detectors
Missing door knobs, base or door trim	Broken or missing stair rails or balusters

Stickers on doors/walls	Clogged/damaged plumbing
Broken or missing towel bars or toilet paper holders	Holes in walls, doors that have holes or are cracked or missing
Broken mirrors	Damaged exterior siding
Garbage/debris around the exterior of the unit or inside the unit	Larges amount of furniture or miscellaneous items left by the tenant after vacating

Determination of damages beyond wear and tear is at the discretion of HASCO's HQS inspectors.

- The family must allow HASCO to inspect the unit at reasonable times and after reasonable notice, as described in [Chapter 8](#) of this plan.
- The family must not commit any serious or repeated violation of the lease.

HASCO Policy

HASCO will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge. *Serious and repeated lease violations* will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify HASCO and the owner before moving out of the unit or terminating the lease.

HASCO Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to HASCO at the same time the owner is notified.

- The family must promptly give HASCO a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by HASCO. The family must promptly notify HASCO in writing of the birth, adoption, or court-awarded custody of a child. The family must request HASCO approval to add any other family member as an occupant of the unit.

HASCO Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. HASCO will determine eligibility of the new member in accordance with the policies in [Chapter 3](#).

- The family must promptly notify HASCO in writing if any family member no longer lives in the unit.
- If HASCO has given approval, a foster child or a live-in aide may reside in the unit. HASCO has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when HASCO consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see [Chapter 3 \(sections I.K and I.M\)](#), and [Chapter 11 \(section II.B\)](#).
- The family must not sublease the unit, assign the lease, or transfer the unit.

HASCO Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by HASCO to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify HASCO when the family is absent from the unit.

HASCO Policy

A written notice is required under this provision only when any family member is absent from the unit for more than 30 calendar days. Written notice must be provided to HASCO at the start of the extended absence. Refer to [Chapter 3, section 3-I.L](#), Eligibility for definitions of family member absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See [Chapter 14](#), Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See [Chapter 12](#) for HUD and HASCO policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons

residing in the immediate vicinity of the premises. See [Chapter 12](#) for a discussion of HUD and HASCO policies related to alcohol abuse.

- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless HASCO has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE

5-II.A. OVERVIEW

HASCO must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions. 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. HASCO must also establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of the voucher term.

5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

For each family, HASCO determines the appropriate number of bedrooms under HASCO subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room.

The following requirements apply when HASCO determines family unit size:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under the housing quality standards.
- The subsidy standards must be applied consistently for all families of like size and composition.
- 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.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by HASCO 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;
- 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 HASCO subsidy standards.

HASCO Policy

The following policy applies to **Housing Choice Vouchers** effective July 1, 2019. It applies to **Project Based Vouchers** effective October 1, 2022. For participants already under a PBV HAP contract prior to October 1, 2022, the new subsidy standard will be applied when the family moves to a new unit.

HASCO does not determine how the sleeping spaces will be allocated when the family moves in to the unit. In calculating the voucher size, HASCO will count one bedroom for the head of household and spouse/cohead (e.g. boyfriend, girlfriend, partner) and one bedroom for each two additional persons within the household, regardless of age, gender, or relationship, with the following exceptions:

- One bedroom will be counted for single-person families.
- The unborn child of a pregnant woman will be counted as a family member.
- Foster children are included in determining voucher size only if they are, or are anticipated to be, in the unit for more than 12 months.
- One separate bedroom will be counted for a live-in aide, and any family members they may have who are not members of the assisted family.

The following policy applied to **Project Based Vouchers** prior to October 1, 2022. It applied to all vouchers prior to July 1, 2019.:

HASCO does not determine how the sleeping spaces will be allocated when the family moves in to the unit. In calculating the voucher size, HASCO will count one bedroom for each two persons within the household, with the following exceptions:

- Separate bedrooms will be counted for persons of the opposite sex who are not the spouse/cohead (e.g. boyfriend, girlfriend, partner) or children age 6 and under.
- One bedroom will be counted for single-person families.
- The unborn child of a pregnant woman will be counted as a family member.
- Separate bedrooms will be counted for persons of different generations, for example a grandmother will not be required to share a bedroom with her children or grandchildren.
- Separate bedrooms will be counted for children of the opposite sex, when at least one child is over the age of 6.
- Children of the same sex will not have separate bedrooms counted. If the span of years between two children of the same sex is determined to be inappropriate, HASCO may count a separate bedroom. In no case will a separate bedroom be counted unless the span of years between the children is at least 10 years.
- Foster children are included in determining voucher size only if they are, or are anticipated to be, in the unit for more than 12 months.
- One exclusive bedroom will be counted for a live-in aide, and any family members they may have who are not members of the assisted family.

5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS

In determining family unit size for a particular family, HASCO may grant an exception to its established subsidy standards if HASCO 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 need for an exclusive bedroom for medical equipment
- A need for an exclusive bedroom for reasons related to a family member's disability, medical or health condition

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)].

HASCO Policy

HASCO will consider granting an exception for reasonable accommodations.

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or health professional), unless the disability and the disability-related request for accommodation is readily apparent or otherwise known. The family's continued need for an exclusive bedroom due to special medical equipment must be re-verified at annual reexamination unless it is readily apparent to, or otherwise known by, HASCO.

HASCO 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-II.D. VOUCHER ISSUANCE [24 CFR 982.302]

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, HASCO 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](#).

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that HASCO has determined the family to be eligible for the program, and that HASCO expects to have money available to subsidize the family if the family finds an approvable unit. However, HASCO 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 HASCO's housing choice voucher program [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after HASCO has determined that the family is eligible for the program based on verification of information received within the 60 calendar days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV GB].

HASCO Policy

Vouchers will be issued to eligible applicants immediately following the mandatory briefing.

HASCO should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, HASCO must wait until it has adequate funds before it calls another family from the list [HCV GB].

HASCO Policy

Prior to issuing any vouchers, HASCO will determine whether it has sufficient funding in accordance with the policies in [Part VIII](#) of [Chapter 16](#).

If HASCO determines that there is insufficient funding after a voucher has been issued, HASCO may rescind the voucher and place the affected family back on the waiting list.

5-II.E. VOUCHER TERM, AND EXTENSIONS

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)].

HASCO Policy

The initial voucher term will be 90 calendar days for all regular HCVs, service enriched and non-service enriched project based vouchers, Mainstream, FUP, NED I & II.

The family must submit a Request for Tenancy Approval and proposed lease within the 90-calendar day period unless HASCO grants an extension.

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

HASCO 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 HASCO can approve. Discretionary policies related to extension and expiration of search time must be described in HASCO's administrative plan [24 CFR 982.54].

HASCO 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.

The family must be notified in writing of HASCO's decision to approve or deny an extension. HASCO'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)].

HASCO Policy

HASCO will approve extensions only in the following circumstances:

- It is necessary as a reasonable accommodation for a person with disabilities.
- It is necessary due to reasons beyond the family's control, as determined by HASCO.
- It is necessary due to family size or other special circumstances which make it difficult to find a suitable unit.

The presence of these circumstances does not guarantee that an extension will be granted.

Any request for an extension must include the reason(s) the extension is necessary. HASCO may require the family to provide documentation to support the request or obtain verification from a qualified third party.

All requests for extensions to the voucher term must be made in writing and submitted to HASCO prior to the expiration date of the voucher (or extended term of the voucher).

If a family requests an Informal Hearing, and the Termination is overturned, HASCO will grant an extension to the Voucher equal to the number of calendar days between the time the request for an informal hearing was submitted, and the decision of the Hearing Officer is mailed out to the family.

HASCO 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 verbal or written notice of its decision.

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

HASCO must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for HASCO approval of the tenancy until the date HASCO notifies the family in writing whether the request has been approved or denied.

Expiration of Voucher Term

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. If the family still wishes to receive assistance, HASCO 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].

HASCO Policy

If an applicant family's voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RFTA), HASCO will deny assistance.

Within 30 calendar days before the expiration of the voucher term or any extension, HASCO will notify the family in writing that the voucher term will expire.

Within 10 business days after the expiration of the voucher term or any extension, the PHA will notify the family in writing that the voucher term has expired and that the family must reapply when the waiting list is open in order to be placed on the waiting list.

CHAPTER 6

INCOME AND SUBSIDY DETERMINATIONS

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

INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's payment and HASCO's subsidy. HASCO 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 HASCO policies related to these topics in three parts as follows:

[Part I: Annual Income](#). HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and HASCO policies for calculating annual income are found in Part I.

[Part II: Adjusted Income](#). Once annual income has been established HUD regulations require HASCO to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and HASCO policies for calculating adjusted income are found in Part II.

[Part III: Calculating Family Share and HASCO Subsidy](#). This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining HASCO subsidy and required family payment.

PART I: ANNUAL INCOME

6-I.A. OVERVIEW

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:

(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 [5.609(c)].

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

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:

- Annual Income Inclusions ([Exhibit 6-1](#))
- Annual Income Exclusions ([Exhibit 6-2](#))
- Treatment of Family Assets ([Exhibit 6-3](#))
- Earned Income Disallowance for Persons with Disabilities ([Exhibit 6-4](#))
- The Effect of Welfare Benefit Reduction ([Exhibit 6-5](#))

[Sections 6-I.B](#) and [6-I.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. 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-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. 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(c)(2)].
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.

Temporarily Absent Family Members

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.

HASCO Policy

Generally, an individual who is, or is expected to be, absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is, or is expected to be, absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HASCO Policy

When someone who has been considered a family member attends school away from home, the person will not continue to be considered a family member and their income will not be counted.

Absences Due to Placement in Foster Care

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

HASCO Policy

If the family includes a child or children temporarily absent from the home due to placement in foster care, legal guardianship, or custody of the state, HASCO will determine from the appropriate agency when the child/children will be returned to the home.

If the agency determines the period is less than 12 months from the date of removal of the child/children, the child/children are considered temporarily absent. If the child is permanently removed, they will no longer be counted as a family member.

Absent Head, Spouse, or Cohead

HASCO Policy

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.

Family Members Permanently Confined for Medical Reasons

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].

HASCO Policy

HASCO will request verification that the family member is confined to a nursing home or hospital on a permanent basis from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

Joint Custody of Dependents

HASCO Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family if they live with the applicant or participant family 50 percent or more of the time.

When more than one applicant or participant family is claiming the same dependents as family members, HASCO will work with the two families to determine which family will be able to claim the dependent.

Caretakers for a Child

HASCO Policy

The approval of a caretaker is at the owner and HASCO's discretion and subject to the owner and HASCO's screening criteria. If neither a parent nor a designated guardian remains in a household receiving HCV assistance, HASCO will take the following actions:

- 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.

- 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 calendar days. After the 90 calendar 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 HASCO will extend the caretaker's status as an eligible visitor.
- At any time that custody or guardianship has been legally awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.
- 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-I.C. ANTICIPATING ANNUAL INCOME

HASCO 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.

Basis of Annual Income Projection

HASCO generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes HASCO to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB]
- 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)]
- HASCO believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

HASCO 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)].

HUD allows HASCO to use tenant-provided documents (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 HASCO does not determine it is necessary to obtain additional third-party data.

HASCO Policy

HASCO will generally use current circumstances to determine anticipated income. As long as EIV employer data is not disputed, HASCO will request tenant provided current

and consecutive pay stubs dated within the last 60 calendar days of the request for verification.

When HASCO cannot readily anticipate income based on current circumstances, (e.g., in the case of temporary or seasonal employment or fluctuating working hours), HASCO will request a history of the client's last 12 months of income and sources. HASCO will review historical income data for patterns of employment, paid benefits, and receipt of other income to annualize their anticipated income.

Projecting Income

In HUD's EIV webcast of January 2008, HUD made clear that HASCO is not to use EIV quarterly wages to project annual income.

6-I.D. EARNED INCOME

Types of Earned Income Included in Annual Income

Wages and Related Compensation

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)].

HASCO Policy

For persons who regularly receive bonuses or commissions, HASCO may review prior year amounts with anticipated future amounts to anticipate expected compensation. The family may provide a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, HASCO will count only the amount estimated by the employer.

Some Types of Military Pay

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)].

Types of Earned Income Not Counted in Annual Income

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

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

HASCO Policy

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

Children's Earnings

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)]. (See [Eligibility chapter](#) for a definition of *foster children*.)

Certain Earned Income of Full-Time Students

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)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB].

Income of a Live-in Aide

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.)

Income Earned under Certain Federal Programs

Income from some federal programs is specifically excluded from consideration as income [24 CFR 5.609(c)(17)], including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

Resident Service Stipend

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for HASCO 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 HASCO's governing board. No resident may receive more than one such stipend during the same period of time [24 CFR 5.600(c)(8)(iv)].

State and Local Employment Training Programs

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. 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)].

HASCO Policy

HASCO 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].

HASCO 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].

In calculating the incremental difference, HASCO 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.

End of participation in a training program must be reported in accordance with HASCO's interim reporting requirements.

HUD-Funded Training Programs

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. 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.

HASCO Policy

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

Earned Income Tax Credit

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)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee’s payroll check.

Earned Income Disallowance

The earned income disallowance for persons with disabilities is discussed in [section 6-I.E](#) below.

6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617]

The earned income disallowance (EID) encourages people with disabilities to enter the work force 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.

Eligibility

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:

- Employment of a family member who is a person with disabilities and 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.
- Increased earnings by a family member who is a person with disabilities and 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)].
- New employment or increased earnings by a family member who is a person with disabilities and 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.

Calculation of the Disallowance

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 their "baseline income." The family member's baseline income is their income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that they are participating in the EID.

Calculation Method

Initial 12-Month Exclusion

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

HASCO Policy

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.

Second 12-Month Exclusion and Phase-In

During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

Lifetime Limitation

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. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance.

HASCO Policy

During the eligibility period, HASCO will schedule and conduct an interim reexamination each 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 prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period.)

6-I.F. BUSINESS INCOME [24 CFR 5.609(B)(2)]

Annual income includes "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" [24 CFR 5.609(b)(2)].

Business Expenses

Net income is "gross income less business expense" [HCV GB]

HASCO Policy

To determine business expenses that may be deducted from gross income, HASCO will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535] unless a topic is addressed by HUD regulations or guidance as described below.

Business Expansion

HUD regulations do not permit HASCO to deduct from gross income expenses for business expansion.

HASCO Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. 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.

Capital Indebtedness

HUD regulations do not permit HASCO to deduct from gross income the amortization of capital indebtedness.

HASCO Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means HASCO will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income

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.

Withdrawal of Cash or Assets from a Business

HUD regulations require HASCO 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.

HASCO Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, HASCO 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.

Co-owned Businesses

HASCO Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. 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-I.G. ASSETS [24 CFR 5.609(B)(3); AND 24 CFR 5.603(B)]

Overview

There is no asset limitation for participation in the HCV program. However, HUD requires that HASCO include in annual income the anticipated "interest, dividends, and other net income of any kind from real or personal property" [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, HASCO must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

[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 HASCO policies related to each type of asset.

Optional policies for family self-certification of assets are found in [Chapter 7](#).

General Policies

Income from Assets

HASCO generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes HASCO to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) HASCO believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, HASCO can take into consideration past rental income along with the prospects of obtaining a new tenant.

HASCO Policy

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 HASCO to show why the asset income determination does not represent the family's anticipated asset income.

Valuing Assets

The calculation of asset income sometimes requires HASCO to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

HASCO Policy

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]. Reasonable costs for disposal vary for each asset. Refer to individual asset sections for determination of reasonable costs.

Lump-Sum Receipts

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. 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) [RHIP 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-I.H](#) and [6-I.I.](#))

Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]

When net family assets are \$5,000 or less, HASCO will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, HASCO will include in annual income the greater of (1) the actual income derived from the assets or (2) 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 HASCO.

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The "safe harbor" is now for HASCO to establish a passbook rate within 0.75 percent of a national average.
- HASCO must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

HASCO Policy

HASCO will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).

HASCO will review the passbook rate annually.

- If the National Rate is .75% or less, the HASCO rate will be 0%

- If the National Rate is over .75%, the HASCO rate will match the National Rate in effect when the passbook rate is set.

The effective date of changes to the passbook rate will be January 1st, updated annually.

Determining Actual Anticipated Income from Assets

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

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 investment plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement investment plan.

Jointly Owned Assets

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."

HASCO Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, HASCO will count the full value of the asset. 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.

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

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

HUD regulations require HASCO 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.

Minimum Threshold

The *HCV Guidebook* permits HASCO to set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB].

HASCO Policy

HASCO 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 \$5,000.

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

Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

Separation or Divorce

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.

HASCO Policy

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. 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.

Foreclosure or Bankruptcy

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

Family Declaration

HASCO Policy

Families must sign a declaration form at initial certification and each annual recertification identifying 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. HASCO may verify the value of the assets disposed of if other information available to HASCO does not appear to agree with the information reported by the family.

Types of Assets

Checking and Savings Accounts

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.

HASCO Policy

In determining the value of checking and savings accounts, HASCO will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, HASCO will multiply the current value of the account by the current rate of interest paid on the account.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. 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.

HASCO Policy

In determining the market value of an investment account, HASCO will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known.

- 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).
- When the anticipated rate of return is not known (e.g., stocks), HASCO will calculate asset income based on the earnings for the most recent reporting period.

Equity in Real Property or Other Capital Investments

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].

HASCO Policy

In determining the equity, HASCO will determine market value by accessing an assessor's property records or requesting tenant provided information.

HASCO will use the market value of the home, minus the balance of the mortgage, to calculate equity.

Equity in real property and other capital investments is considered in the calculation of asset income **except** for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR5.603(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]
- Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB].
- Equity in real property when a family member's main occupation is real estate [HCV GB]. This real estate is considered a business asset, and income related to this asset will be calculated as described in [section 6-I.F.](#)
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB].

HASCO must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value minus the balance of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].

HASCO Policy

For the purposes of calculating expenses to convert to cash for real property, HASCO will use ten percent of the market value of the home.

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. 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.

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.

HASCO Policy

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 HASCO determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Trusts

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).

Revocable Trusts

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]. 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.

Nonrevocable Trusts

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. 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-I.H.](#) Lump-sum receipts are discussed earlier in this section.)

Retirement Accounts [HCV GB]

Company Retirement/Pension Accounts

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, HASCO must know whether the money is accessible before retirement.

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset.

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, 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.

IRA, Keogh, and Similar Retirement Savings Accounts

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty.

Personal Property

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB].

HASCO Policy

In determining the value of personal property held as an investment, HASCO will use the family's estimate of the value. HASCO may obtain an appraisal to confirm the value of the asset. The family must cooperate with the appraiser, but cannot be charged any costs related to the appraisal.

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.

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

HASCO Policy

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

Life Insurance

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]. The cash value is the surrender value. 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-I.H. PERIODIC PAYMENTS

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.

Periodic Payments Included in Annual Income

- 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)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV GB].

Lump-Sum Payments for the Delayed Start of a Periodic Payment

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. 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)].

HASCO Policy

When a delayed-start payment is received and reported during the period in which HASCO is processing an annual reexamination, HASCO will adjust the family share and HASCO subsidy prospectively by adding the lump-sum amount to the current anticipated income. When a delayed-start payment is received at any other time, HASCO will conduct an interim reexamination to add the lump-sum amount to the

current anticipated income if the change(s) require an interim reexamination in accordance with the policies in [Section 11-II.C.](#)

Treatment of Overpayment Deductions from Social Security Benefits

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

Periodic Payments Excluded from Annual Income

- 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)]. 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].

HASCO Policy

HASCO 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].

- 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)].
- Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)].
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)].
- 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.
- 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)].
- 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-I.I. PAYMENTS IN LIEU OF EARNINGS

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. 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 also the discussion of periodic payments in [section 6-I.H](#) and the discussion of lump-sum receipts in [section 6-I.G.](#))

6-I.J. WELFARE ASSISTANCE

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)].

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

HASCO 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 receiving HCV assistance at the time the sanction was imposed.

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)]

Imputed Income

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, HASCO must include in annual income “imputed” welfare income. HASCO must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) 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 (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

Offsets

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. 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-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(B)(7)]

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.

Alimony and Child Support

HASCO must count alimony or child support amounts awarded as part of a divorce or separation agreement.

HASCO Policy

HASCO will count amounts for alimony and child support unless HASCO verifies that payments are not being made.

Regular Contributions or Gifts

HASCO must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

HASCO Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by HASCO. For contributions that may vary from month to month (e.g., utility payments), HASCO will include an average amount based upon past history.

6-I.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.

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

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- 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.
- They are under 24 years of age **OR** they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition and any other required fees and charges 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.

To determine annual income in accordance with the above requirements, HASCO 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]:

- *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplement 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.
- *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.
- *Tuition and fees* are defined in the same manner in which the Department of Education defines *tuition and fees* [Notice PIH 2015-21].
 - This is the amount of tuition and required fees covering a full academic year most frequently charged to students.
 - The amount represents what a typical student would be charged and may not be the same for all students at an institution.
 - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.
 - Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).
 - 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.

Student Financial Assistance Excluded from Annual Income [24 CFR 5.609(c)(6)]

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:

- Students residing with parents who are seeking or receiving Section 8 assistance

- Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*
- Students who are over 23 **AND** have at least one dependent child, as defined in [section 3-II.E](#)
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

6-I.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:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- 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)]
- 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)]
- 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)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- 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)]
- 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
- (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 spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal 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 1965j, 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 and mandatory fees 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) (See [Section 6-I.L](#) for exceptions.)
- (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 ABLE account, and actual or imputed interest on the ABLE account balance

PART II: ADJUSTED INCOME

6-II.A. INTRODUCTION

Overview

HUD regulations require HASCO to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. 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 their education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in [Chapter 7](#).

Anticipating Expenses

HASCO Policy

Generally, HASCO will use current circumstances to anticipate expenses. 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), HASCO will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, HASCO 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. HASCO may require the family to provide documentation of payments made in the preceding year.

6-II.B. DEPENDENT DEDUCTION

An allowance of \$480 is deducted from annual income for each dependent [24 CFR 5.611(a)(1)]. *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-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(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-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(A)(3)(I)]

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

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].

Definition of Medical Expenses

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.”

HASCO Policy

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. Medical expenses will be projected based on the past 12 months of medical expense history.

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	<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.,

<ul style="list-style-type: none"> • Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor • Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails) 	<ul style="list-style-type: none"> 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)
<p>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.</p>	

* The IRS specifically states that a person “cannot include in medical expenses amounts (paid) for controlled substances (such as marijuana, laetrile, etc.), in violation of federal law.” HASCO will not include medical expenses used to pay for marijuana or its paraphernalia in the calculation of medical expense deductions.

Families That Qualify for Both Medical and Disability Assistance Expenses

HASCO Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, HASCO will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(B) AND 24 CFR 5.611(A)(3)(II)]

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

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)].

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.

HASCO Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, HASCO will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When HASCO 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.

Eligible Disability Expenses

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].

HUD advises HASCO to further define and describe auxiliary apparatus [VG, p. 30].

Eligible Auxiliary Apparatus

HASCO Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. 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. 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.

Eligible Attendant Care

The family determines the type of attendant care that is appropriate for the person with disabilities.

HASCO Policy

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. 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.

If the care attendant also provides other services to the family, HASCO 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.

Payments to Family Members

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

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. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

HASCO Policy

HASCO determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, HASCO will collect information from organizations that provide services and support to persons with disabilities. A family may present, and HASCO will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Medical and Disability Assistance Expenses

HASCO Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, HASCO will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.F. CHILD CARE EXPENSE DEDUCTION

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 their 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.”

Clarifying the Meaning of *Child* for This Deduction

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]. 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 [HCV GB].

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

HASCO Policy

The family must identify the family member(s) enabled to pursue an eligible activity. 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).

In evaluating the family's request, HASCO will consider factors such as how the schedule for the claimed activity relates to the hours of care provided and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

HASCO Policy

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. 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 HASCO.

Furthering Education

HASCO Policy

If the child care expense being claimed is to enable a family member to further their education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. 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.

Being Gainfully Employed

HASCO Policy

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.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers their 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)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities 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.

HASCO 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].

HASCO Policy

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, HASCO 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.

Eligible Child Care Expenses

The type of care to be provided is determined by the assisted family. HASCO 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].

Allowable Child Care Activities

HASCO Policy

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.

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.

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, HASCO 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. 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.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further their education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

HASCO Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. 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.

To establish the reasonableness of child care costs, HASCO will use the schedule of child care costs from a qualified local entity that either subsidizes child care costs or licenses child care providers. Families may present, and HASCO will consider, justification for costs that exceed typical costs in the area.

PART III: CALCULATING FAMILY SHARE AND HASCO SUBSIDY

6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS

TTP Formula [24 CFR 5.628]

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:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by HASCO

HASCO has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in [section 6-III.B.](#)

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.

Welfare Rent [24 CFR 5.628]

HASCO Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

HASCO Policy

The minimum rent for this locality is \$0.

Family Share [24 CFR 982.305(a)(5)]

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds HASCO's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy HASCO may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. The income used for this determination must have been verified no earlier than 60 calendar days before the family's voucher was issued. (For a discussion of the application of payment standards, see [section 6-III.C.](#))

HASCO Subsidy [24 CFR 982.505(b)]

HASCO will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see [section 6-III.C.](#))

Utility Reimbursement [24 CFR 982.514(b); 982.514(c)]

When HASCO subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits HASCO to pay the reimbursement to the family or directly to the utility provider.

HASCO Policy

HASCO will make utility reimbursements to the family.

HASCO may make all utility reimbursement payments to qualifying families on a monthly basis or may make quarterly payments when the monthly reimbursement amount is \$15.00 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. HASCO must also adopt hardship policies for families for whom receiving quarterly reimbursement would create a financial hardship.

HASCO Policy

HASCO will issue all utility reimbursements monthly.

6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

HASCO Policy

The financial hardship rules do not apply in this jurisdiction because HASCO has established a minimum rent of \$0.

6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505; 982.503(B)]

Overview

HASCO's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of HASCO's payment standards. The establishment and revision of HASCO's payment standard schedule are covered in [Chapter 16](#).

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)].

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 HASCO's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If HASCO has established an exception payment standard for a designated part of a zip code area or FMR area and a family's unit is located in the exception area, HASCO must use the appropriate payment standard for the exception area.

HASCO 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.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, HASCO will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB].

Changes in Payment Standards

When HASCO revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations.

Decreases

If HASCO changes its payment standard schedule, resulting in a lower payment standard amount, during the term of a HAP contract, HASCO is not required to reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect [FR Notice 11/16/16].

However, if HASCO does choose to reduce the payment standard for families currently under HAP contract, the initial reduction to the payment standard may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount. At that point, HASCO may either reduce the payment standard to the current amount in effect on HASCO's payment standard schedule, or may reduce the payment standard to another amount that is higher than the normally applicable amount on the schedule. HASCO may also establish different policies for designated areas within their jurisdiction (e.g., different zip code areas).

In any case, HASCO must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change. HASCO's policy on decreases in the payment standard during the term of the HAP contract apply to all families under HAP contract at the time of the effective date of the decrease in the payment standard within the designated area.

HASCO Policy

If HASCO changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, HASCO will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.

HASCO will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.

Increases

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.

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].

Changes in Family Unit Size (Voucher Size)

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.

Reasonable Accommodation

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, HASCO is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR.

6-III.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517]

Overview

A HASCO-established utility allowance schedule is used in determining family share and HASCO subsidy. A family's utility allowance is determined by the size of dwelling unit leased by a family or the voucher unit size for which the family qualifies using HASCO subsidy standards, whichever is the lowest of the two. See [Chapter 5](#) for information on HASCO's subsidy standards.

For policies on establishing and updating utility allowances, see [Chapter 16](#).

Reasonable Accommodation

HCV program regulations require HASCO to approve a utility allowance amount higher than shown on HASCO'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, HASCO will approve an allowance for air-conditioning, even if HASCO has determined that an allowance for air-conditioning generally is not needed.

The family must request the higher allowance and provide HASCO with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB].

Utility Allowance Revisions

At reexamination, HASCO must use the current utility allowance schedule [HCV GB].

HASCO Policy

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-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520]

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. HASCO must prorate the assistance provided to a mixed family. HASCO 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 HASCO subsidy for a family is calculated at \$500 and two of four family members are ineligible, HASCO 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 260.31¹; 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.

¹ Text of 45 CFR 260.31 follows.

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 child care 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;

(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 HASCO 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 HASCO'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);

(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 HASCO and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See [Section 6-I.M.](#) 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, HASCO 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 FOR PERSONS WITH DISABILITIES

24 CFR 5.617 Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income.

(a) Applicable programs. The disallowance of earned income provided by this section is applicable only to the following programs: HOME Investment Partnerships Program (24

CFR part 92); Housing Opportunities for Persons with AIDS (24 CFR part 574); Supportive Housing Program (24 CFR part 583); and the Housing Choice Voucher Program (24 CFR part 982).

(b) 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 with disabilities (who is a member of a qualified family).

Disallowance. Exclusion from annual income.

Previously unemployed includes a person with disabilities 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 housing assisted under one of the programs listed in paragraph (a) of this section or receiving tenant-based rental assistance under one of the programs listed in paragraph (a) of this section.

(1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

(2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

(3) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or 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 responsible entity 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.

(c) Disallowance of increase in annual income—

(1) Initial twelve month exclusion. During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) Second twelve month exclusion and phase-in. Upon expiration of the 12-month period defined in paragraph (c)(1) of this section and for the subsequent 12-month period, the responsible entity must exclude from 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 who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) of this section is limited to a lifetime 24-month period. The disallowance applies for a maximum of 12 months for disallowance under paragraph (c)(1) of this section and a maximum of 12 months for disallowance under paragraph (c)(2) of this section, during the 48-month period starting from the initial exclusion under paragraph (c)(1) of this section.

(d) Inapplicability to admission. The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes

of admission to the program (including the determination of income eligibility or any income targeting that may be applicable)

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 HASCO 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 HASCO, the welfare agency will inform HASCO 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 HASCO of any subsequent changes in the term or amount of such specified welfare benefit reduction. HASCO 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 HASCO's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to HASCO 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) HASCO 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 HASCO decision.

(1) Public housing. If a public housing tenant claims that HASCO has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if HASCO denies the family's request to modify such amount, HASCO shall give the tenant written notice of such denial, with a brief explanation of the basis for HASCO determination of the amount of imputed welfare income. HASCO notice shall also state that if the tenant does not agree with HASCO determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review HASCO 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 HASCO 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 HASCO 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 HASCO denies the family's request to modify such amount, HASCO shall give the family written notice of such denial, with a brief explanation of the basis for HASCO determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with HASCO determination, the family may request an informal hearing on the determination under HASCO hearing procedure.

(e) HASCO relation with welfare agency.

(1) HASCO must ask welfare agencies to inform HASCO 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 HASCO written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) HASCO 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 HASCO. However, HASCO 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 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. HASCO shall be entitled to rely on the welfare agency notice to HASCO of the welfare agency's determination of a specified welfare benefits reduction.

CHAPTER 7

VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2018-18]

INTRODUCTION

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

HASCO will follow the verification guidance provided by HUD in Notice PIH 2018-18 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary HASCO policies.

[Part I: General Verification Requirements.](#) This section describes the general verification process.

[Part II: Verifying Family Information.](#) This section provides more detailed requirements related to family information.

[Part III: Verifying Income and Assets.](#) This section provides information on income and assets and acceptable verifications.

[Part IV: Verifying mandatory deductions.](#) This section provides information on mandatory deductions and acceptable verifications.

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

PART I: GENERAL VERIFICATION REQUIREMENTS

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

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

Consent Forms

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

Penalties for Failing to Consent [24 CFR 5.232]

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

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH 2018-18]

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

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

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

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

Requirements for Acceptable Documents

HASCO Policy

- Any documents used for verification must be dated within 60 calendar days of the date they are provided to HASCO. The documents must be originals or true and accurate copies, and must not be damaged, altered or in any way illegible.
- Print-outs from web pages are considered original documents.
- Any family self-certifications must be made in a format acceptable to HASCO and must be signed by the family member whose information or status is being verified.

File Documentation

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

HASCO Policy

HASCO will document, in the family file, the following:

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing the adjusted income

When HASCO is unable to obtain third-party verification, HASCO will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2018-18].

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

Up-front income verification (UIV) refers to HASCO'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 HASCO.

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 HASCO 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 HASCO.

See [Chapter 6](#) for HASCO's policy on the use of UIV/EIV to project annual income.

Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)

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

EIV Income and Income Validation Tool (IVT) Reports

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

HASCO Policy

HASCO will obtain income and IVT reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income and IVT reports will be reviewed within 120-calendar days of PIC submission for new admissions and historical adjustments.

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

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

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

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

EIV Identity Verification

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

HASCO 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].

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

HASCO Policy

HASCO will identify participants whose identity verification has failed by reviewing EIV's *Identity Verification Report* monthly.

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

Upfront Income Verification Using Non-HUD Systems (Optional)

In addition to mandatory use of the EIV system, HUD encourages HASCO to utilize other upfront verification sources.

HASCO Policy

HASCO will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process.

- HUD's EIV system
- Washington State Department of Social and Human Services' Benefits Verification System (BVS)
- The Work Number
- Washington State Employment Security
- Washington State Office of Support Enforcement

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

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

Written Third-Party Verification [Notice PIH 2018-18]

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

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

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

HASCO 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.

HASCO Policy

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

If HASCO determines that third-party documents provided by the family are not acceptable, HASCO will explain the reason to the family and request additional documentation.

As verification of earned income, HASCO will require the family to provide consecutive pay stubs for the most recent two months of wages.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, HASCO 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.

HASCO may mail, fax, or email third-party written verification form requests to third-party sources.

HASCO Policy

HASCO will send third-party verification forms directly to the third party by mail, fax, or email when third-party verification documents are unavailable or are rejected by HASCO.

HASCO will make a minimum of one attempt to request third-party verification.

Oral Third-Party Verification [Notice PIH 2018-18]

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

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

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

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

HASCO Policy

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

When any source responds verbally to the initial written request for verification HASCO will accept the verbal response as oral verification and make a notation on the verification stating the information was provided per phone call.

When Third-Party Verification is Not Required [Notice PIH 2018-18]

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.

HASCO Policy

If the family cannot provide original documents, HASCO will pay the service charge required to obtain third-party verification, 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.

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

Primary Documents

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

Imputed Assets

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

HASCO Policy

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

Value of Assets and Asset Income [24 CFR 982.516(a)]

For families with net assets totaling \$5,000 or less, HASCO may accept the family's declaration of asset value and anticipated asset income. However, HASCO 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.

HASCO Policy

HASCO will use third-party documentation for assets as part of the intake process, annual process and whenever a family member is added to verify the individual's assets.

7-I.E. SELF-CERTIFICATION

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

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets total \$5,000 or less and HASCO has adopted a policy to accept self certification at annual recertification, when applicable
- HASCO has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See [Chapter 11](#))

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

HASCO Policy

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

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

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

Part II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

HASCO Policy

To determine program eligibility, legal identification will be verified by matching the verified social security number, name, and birthdate in HUD's EIV system.

If HASCO has reason to doubt the validity of an individual's identity at any time, HASCO will require verification of name and birthdate for that household member. Examples of documents that may be requested include, but are not limited to:

Verification of name and birthdate for Adults	Verification of name and birthdate for Children
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicles identification card U.S. military discharge (DD 214) Current U.S. passport Current government identification card with picture	Certificate of birth Adoption papers Custody agreement Health and Human Services ID Certified school records Current government identification card with picture

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

If none of these documents can be provided and at HASCO'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 HASCO and must be signed by the family member whose information or status is being verified.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216, NOTICE PIH 2018-24]

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

Note that an individual who previously declared to have eligible immigration status may not change 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.

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

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

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

HASCO Policy

HASCO will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to HASCO within 90 calendar days.

HASCO will grant one additional 90-calendar day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided period, HASCO will terminate the individual's assistance.

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

HASCO Policy

HASCO does not administer any Moderate Rehabilitation Single Room Occupancy assistance; therefore, this provision is not applicable.

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

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

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

HASCO Policy

HASCO will verify each disclosed SSN by:

- Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers
- Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," HASCO may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members, an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

HASCO Policy

HASCO verifies age through self-certification and the EIV system. If the EIV system is unable to verify age, HASCO will require the family to submit other documents that support the reported age of the family member (e.g., birth certificate, school records, driver's license if birth year is recorded).

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

7-II.D. FAMILY RELATIONSHIPS

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

HASCO Policy

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

Marriage

HASCO Policy

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

A marriage certificate or certificate of domestic partnership may be required to verify that a couple is married or in a domestic partnership.

Separation or Divorce

HASCO Policy

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

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

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

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

Absence of Adult Member

HASCO Policy

Certification by the head of household is normally sufficient verification when an adult member who was formerly a member of the household is reported to be permanently absent. If HASCO has reasonable doubts that the adult member has not left the household, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

Foster Children and Foster Adults

HASCO Policy

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

7-II.E. VERIFICATION OF STUDENT STATUS

General Requirements

HASCO Policy

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

- The family reports full-time student status for an adult other than the head, spouse, or cohead.
- The family reports childcare expenses to enable a family member to further their education.
- The family includes a student enrolled in an *institution of higher education*.

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

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

HASCO Policy

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

- The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see section [Exhibit 3-2](#)).
- The student is at least 24 years old.
- The student is a veteran, as defined in [section 3-II.E](#).
- The student is married.
- The student has at least one dependent child, as defined in [section 3-II.E](#).
- The student is a person with disabilities, as defined in [section 3-II.E](#), and was receiving assistance prior to November 30, 2005.

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

Independent Student

HASCO Policy

HASCO will verify a student's independence from their parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

- Either reviewing and verifying previous address information to determine whether the student has established a household separate from their parents for at least one year 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-II.E](#))

- Reviewing the 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* (see [section 3-II.E](#))
- 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, except in cases in which HASCO determines that the student is a *vulnerable youth* (see [section 3-II.E](#))

7-II.F. DOCUMENTATION OF DISABILITY

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

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

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

Family Members Receiving SSA Disability Benefits

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

HASCO Policy

For family members claiming disability who receive disability benefits from the SSA, HASCO will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD's EIV System is

not available, HASCO will request a current (dated within the last 60 calendar days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), HASCO will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter they will be required to provide it to HASCO.

Family Members Not Receiving SSA Disability Benefits

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

HASCO Policy

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

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

Overview

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

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

U.S. Citizens and Nationals

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

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

HASCO Policy

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

Eligible Immigrants

Documents Required

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

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

HASCO Verification [HCV GB]

For family members age 62 or older who 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.

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

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

7-II.H. VERIFICATION OF PREFERENCE STATUS

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

HASCO Policy

HASCO will offer a preference status as adopted by the Board of Commissioners. Refer to [section 4-III.C](#) for information on local preferences.

Documentation required to verify qualification for each local preference is described below.

Local Preference	Required Documentation
Another PHA requests assistance for an applicant with an urgent housing need	Letter or email from the referring PHA requesting assistance and explaining the reason for the urgent housing need
Applicant is referred by an owner for a project-based voucher unit	Completed referral form, signed by owner making the referral
Applicant resides in a current participant's household, and is not the head, and is deemed by the Executive Director to be inappropriately housed	Correspondence from the Executive Director to the Director of Tenant-Based Assistance or their designee verifying that the Executive Director has deemed the

Local Preference	Required Documentation
	applicant to be inappropriately housed
The applicant is displaced due to a federally or state-declared disaster	Written certification from a unit of government or disaster relief agency concerning the applicant's displacement due to a disaster
The applicant is displaced from a HUD multifamily project-based Section 8-assisted unit in Snohomish County due to a disaster or emergency, resulting in the unit being unsuitable for occupancy for at least 60 calendar days	Written certification from a unit of government concerning the applicant's displacement from a project-based Section 8 unit in Snohomish County and verifying that the unit is expected to be unsuitable for occupancy for at least 60 calendar days. A copy of the applicant's lease or other documentation showing residency in the affected unit may also be required.
Applicant includes a household member who is a non-elderly person with disabilities who is: transitioning out of an institution or other segregated setting; at serious risk of institutionalization; homeless; at risk of becoming homeless; or successfully participating in Permanent Supportive Housing in Snohomish County (see Glossary for full definitions of these terms)	<p>Age and disability status will be verified according to documents required as part of the regular application process. In addition, one or more of the following are required:</p> <p>Verification from a public or private facility providing shelter, the police, a court of law, a unit of government, or a social service agency certifying that the applicant meets the definition of homeless, at risk of homelessness, or living in an institution.</p> <p>Third-party document provided by the applicant demonstrating that they meet one or more of the criteria for being at-risk of homelessness, such as a lease agreement, an eviction notice, or a hotel bill.</p>

Local Preference	Required Documentation
	<p>Certification from a health and human services agency, a community-based organization, or the applicant, that the applicant is at serious risk of institutionalization, and that describes which criteria in the definition the applicant meets.</p> <p>Certification from the PSH case manager that the family has stabilized; are currently in compliance with their supportive services plan; no longer need supportive services; are in compliance with their current lease including, but not limited to, paying their rent on time each month; and the family agrees with the PSH recommendation, understands the nature of the tenant based program, and provides a written request for HCV assistance.</p>

PART III: VERIFYING INCOME AND ASSETS

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

7-III.A. EARNED INCOME

Tips

HASCO Policy

Unless tip income is included in a family member's pay stub 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.

Wages

HASCO Policy

As verification of earned income, HASCO will require the family to provide consecutive pay stubs for the most recent two months of wages.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

HASCO Policy

Business owners and self-employed persons will be required to provide their most recent filed IRS 1040 Form including a Schedule C or a self-certified self-employment form.

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

If a family member has been self-employed less than a year, HASCO will accept the family member's certified estimate of income.

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

For policies governing streamlined income determinations for fixed sources of income, please see [Chapter 11](#).

Social Security/SSI Benefits

To ensure consistency in the determination of annual Social Security and SSI income, PHAs are required to use EIV-reported Social Security and SSI benefit amounts unless the tenant disputes the EIV-reported amount [Notice PIH 2018-24].

HASCO Policy

To verify the SS/SSI benefits of applicants, HASCO will request a current (dated within the last 60 calendar days) SSA benefit verification letter for each family member that

receives social security benefits. If the family is unable to provide the document(s), HASCO will help the applicant request a benefit verification letter from SSA's web site or ask the family to request one by calling SSA. Once the applicant has received the benefit verification letter they will be required to provide it to HASCO.

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

When anticipating SS/SSI benefits for the coming calendar year, HASCO will check the SS website for information pertaining to a cost of living adjustment and Medicare expense increases.

7-III.D. ALIMONY OR CHILD SUPPORT

HASCO Policy

HASCO will seek verification for alimony and child support in the following order.

- Copy of OSE case payment history (OSE cases)
- Third-party verification form from the person paying the support (Non-DSHS cases)
- 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.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

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

HASCO Policy

HASCO will verify the value of assets disposed of only if the value is greater than \$5,000.

7-III.F. NET INCOME FROM RENTAL PROPERTY

HASCO Policy

The family must provide:

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

7-III.G. RETIREMENT ACCOUNTS

HASCO Policy

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

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

- *Before* retirement, HASCO 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
- *Upon* retirement, HASCO 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.
- *After* retirement, HASCO will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7-III.H. INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in [Chapter 6, Part I](#).

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

For fully excluded income, HASCO is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination

(for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

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

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

HASCO Policy

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

HASCO will verify the source and amount of partially excluded income as described in [Part 1 of this chapter](#).

7-III.I. ZERO ANNUAL INCOME STATUS

HASCO Policy

HASCO will check EIV and DSHS to verify that certain forms of income are not being received by families claiming to have zero annual income.

7-III.J. STUDENT FINANCIAL ASSISTANCE [NOTICE PIH 2015-21]

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

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

HASCO Policy

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), HASCO will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, HASCO will request written verification of the student's tuition, fees, and other required charges.

If HASCO is unable to obtain third-party written verification of the requested information, HASCO will pursue other forms of verification following the verification hierarchy in [section 7-I.B.](#)

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

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from their parents or a *vulnerable youth* in accordance with HASCO policy [24 CFR 5.612, FR Notice 4/10/06, p. 18146, and FR Notice 9/21/16].

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

HASCO Policy

If HASCO is required to determine the income eligibility of a student's parents, HASCO will request an income declaration and certification of income from the appropriate parent(s) (as determined in [section 3-II.E](#)). HASCO will send the request directly to the parents, who will be required to certify to their income. The parents will be required to submit the information directly to HASCO.

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

PART IV: VERIFYING MANDATORY DEDUCTIONS

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

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

Dependent Deduction

See [Chapter 6 \(6-II.B.\)](#) for a full discussion of this deduction. HASCO must verify that:

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

Elderly/Disabled Family Deduction

See [Eligibility chapter](#) for a definition of elderly and disabled families and [Chapter 6 \(6-II.C.\)](#) for a discussion of the deduction. HASCO must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. MEDICAL EXPENSE DEDUCTION

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

Amount of Expense

HASCO Policy

Medical expenses will be verified through:

- Written third-party documents provided by the family, such as pharmacy printouts or receipts.
- Written third-party verification forms, if the family is unable to provide acceptable documentation.
- If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

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

In addition, HASCO must verify that:

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

Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. HASCO 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 \(7-IV.A.\)](#) of this plan.

Qualified Expenses

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See [Chapter 6 \(6-II.D.\)](#) for HASCO's policy on what counts as a medical expense.

Unreimbursed Expenses

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

HASCO Policy

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

Expenses Incurred in Past Years

HASCO Policy

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

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

7-IV.C. DISABILITY ASSISTANCE EXPENSES

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

Amount of Expense

Attendant Care

HASCO Policy

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

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

Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or cancelled checks.
- Third-party verification form signed by the provider, if family-provided documents are not available.
- If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Auxiliary Apparatus

HASCO Policy

Expenses for auxiliary apparatus will be verified through:

- Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.
- Third-party verification form signed by the provider, if family-provided documents are not available.
- If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, HASCO must verify that:

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

Family Member is a Person with Disabilities

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

Family Member(s) Permitted to Work

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

HASCO Policy

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

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

Unreimbursed Expenses

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

HASCO Policy

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

7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in [Chapter 6 \(6-II.F\)](#). The amount of the deduction will be verified following the standard verification procedures described in [Part I](#) of this chapter. In addition, HASCO must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

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

Unreimbursed Expense

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

HASCO Policy

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

Pursuing an Eligible Activity

HASCO 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.

HASCO Policy

Information to be Gathered

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

Seeking Work

Whenever possible HASCO will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases HASCO will request family-provided verification of participation in welfare or unemployment programs.

Furthering Education

HASCO will request third-party documentation to verify that the person is registered and enrolled in classes. The documentation may be provided by the family.

Gainful Employment

HASCO will seek third-party verification of employment of the person who is permitted to work by the child care or a certification from the family that they are continuing to look for work.

Allowable Type of Child Care

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

HASCO Policy

HASCO will verify that the type of child care selected by the family is allowable, as described in [Chapter 6 \(6-II.F\)](#).

HASCO will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an

eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

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

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

HASCO Policy

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

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

EXHIBIT 7-1: SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [Eligibility Determination and Denial of Assistance]
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- **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to HASCO.
- 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.

<ul style="list-style-type: none"> • Form I-551 Alien Registration Receipt Card (for permanent resident aliens) • Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> • “Admitted as a Refugee Pursuant to Section 207” • “Section 208” or “Asylum” • “Section 243(h)” or “Deportation stayed by Attorney General” • “Paroled Pursuant to Section 221 (d)(5) of the USCIS” 	<ul style="list-style-type: none"> • Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> • A final court decision granting asylum (but only if no appeal is taken); • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90); • A court decision granting withholding of deportation; or • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).
<ul style="list-style-type: none"> • Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”. 	<p>Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.</p>

CHAPTER 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits HASCO to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and HASCO-established requirements.

All units must pass an HQS inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets HQS. HUD also requires HASCO to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and HASCO requirements related to housing quality and rent reasonableness as follows:

[Part I: Physical Standards](#). This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

[Part II: The Inspection Process](#). This part describes the types of inspections HASCO will make and the steps that will be taken when units do not meet HQS.

[Part III: Rent Reasonableness](#). This part discusses the policies HASCO will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in [Chapter 15](#) to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of HUD performance criteria is provided in [Exhibit 8-1](#). Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires HASCO to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, HASCO must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. [Exhibit 8-2](#) summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest-bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See [Chapter 2](#) of this plan for additional information on reasonable accommodations for persons with disabilities.

HASCO Policy

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to HASCO for review.

8-I.B. ADDITIONAL LOCAL REQUIREMENTS

HASCO may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for variations to the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

Thermal Environment [HCV GB]

HASCO 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.

HASCO Policy

The unit must have a working heating system. The heating system must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between October 1st and May 1st.

For units with working fireplaces, the landlord must ensure that the fireplace is functional. Wood burning fireplaces must have a working flue/damper in safe operating condition. Gas fireplaces or inserts must be properly vented and must have an accessible gas line shut off/valve. HASCO may require the landlord to certify to this at the initial inspection.

In addition, in the case of a remodel or alteration to the unit, the use of a wood burning fireplace or stove as the unit's primary source of heat will not be considered adequate if the unit was originally designed and permitted with an alternate electric or gas heat source.

Clarifications of HUD Requirements

HASCO Policy

As permitted by HUD, HASCO has adopted the following specific requirements: HASCO requires all subsidized units must meet HQS Standards as defined in [24 CFR 982.401(a)(4)] and the following specific requirements that elaborate on HUD standards.

Walls

- In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

- Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be repaired or replaced.
- Windows must be weather-stripped as needed to ensure a weather-tight seal.
- Window screens must be in good condition (applies only if screens are present).

Doors

- All exterior doors must be reasonably weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.
- At Initial Inspection: All interior doors and trim must be present and free of excessive damage that create a hazard, safety, or privacy concern; and be openable from both sides without the use of a key.
- At Biennial Reinspection: All interior doors and trim must be present and free of excessive damage that create a hazard, safety, or privacy concern; and be openable from the inside without the use of a key.

Floors

- All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.
- All floors must be in a finished state. Raw wood or unsealed concrete is not permitted.
- All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sinks

- All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.
- All sinks must have functioning stoppers.

Toilets

- All worn or cracked toilet seats and tank lids that create a hazard must be repaired or replaced and toilet tank lid must fit properly.

Security

- If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Site and Neighborhood

- The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as flooding and other conditions. The home cannot be in a location designated by Federal Emergency Management Agency as a Special Flood Hazard Area.

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(A); FR NOTICE 1/18/17]

HUD requires HASCO to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of HASCO notification.

HASCO Policy

The following are considered life threatening conditions:

- Any condition that jeopardizes the security of the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling
- Natural or LP gas or fuel oil leaks
 - A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking or a strong odor is detected with potential for explosion or fire or that results in a health risk if inhaled
- Any electrical problem or condition that could result in shock or fire
 - A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed
 - A light fixture is hanging by its wires
 - A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day-to-day use of the unit

- A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed
- An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses
- A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections
- Any nicks, abrasions, or fraying of the insulation that exposes conducting wire
- Exposed bare wires or electrical connections
- Any condition that results in openings in electrical panels or electrical control device enclosures
- Water leaking or ponding near any electrical device
- Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition
- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.
- Utilities not in service, including no running hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
 - Any components that affect the function of the fire escape are missing or damaged
 - Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency
 - The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency
- Absence of a functioning toilet in the unit
- Inoperable or missing smoke detectors
- Missing or inoperable carbon monoxide detector
- Missing, damaged, discharged, overcharged, or expired fire extinguisher (where required)
- Gas/oil-fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney venting

- The chimney or venting system on a fuel-fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting or gases
- A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside
- A fuel-fired space heater is not properly vented or lacks available combustion air
- A non-vented space heater is present
- Safety devices on a fuel-fired space heater are missing or damaged
- The chimney or venting system on a fuel-fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gas
- Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 that is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit

If an owner fails to correct life threatening conditions as required by HASCO, HASCO will enforce the HQS in accordance with HUD requirements. See 8-II-G.

If a family fails to correct a family caused life threatening condition as required by HASCO, HASCO will enforce the family obligations. See 8-II.H.

The owner will be required to repair an inoperable smoke detector unless HASCO determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain appliances owned by the family
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the

family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225; FR NOTICE 1/13/17; NOTICE PIH 2017-13]

If HASCO 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, HASCO must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 calendar days after receiving the environmental investigation report from HASCO, 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; 40 CFR 745.227]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and HASCO will take action in accordance with [Section 8-II.G](#).

HASCO reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in [Chapter 16](#).

8-I.F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If HASCO determines that a unit is overcrowded because of an increase in family size or a change in family composition, HASCO must issue the family a new voucher, and the family and HASCO must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, HASCO must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

HASCO conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* HASCO conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program.
- *Ongoing Inspections.* HUD requires HASCO to inspect each unit under lease at least biennially, depending on HASCO policy, to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between biennial inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

Inspection of HASCO-Owned Units [24 CFR 982.352(b)]

HASCO must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a HASCO-owned unit. A HASCO-owned unit is defined as a unit that is owned by HASCO where HASCO administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by HASCO). The independent agency must communicate the results of each inspection to the family and to HASCO.

The independent agency must communicate the results of each inspection to the family and HASCO. The independent agency must be approved by HUD and may be the unit of general local government for HASCO jurisdiction (unless HASCO is itself the unit of general local government or an agency of such government).

HASCO Policy

HASCO has an agreement in place with the YWCA of Seattle-King County-Snohomish County to perform HQS inspections and rent reasonableness determinations in cases where an HCV family is receiving assistance in a HASCO-owned unit. This also includes units assisted under a project-based voucher contract. References to the “independent entity” throughout this document refer to the YWCA.

Inspection Costs

HASCO may not charge the family for unit inspections or reinspections [24 CFR 982.405(e)]. In the case of inspections of HASCO-owned units, HASCO may compensate the independent agency from ongoing administrative fee for inspections performed. HASCO and the

independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)].

HASCO may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. However, HASCO may charge a reasonable fee to owners for reinspections in two situations: when the owner notifies HASCO that a repair has been made but the deficiency has not been corrected, and when the time for repairs has elapsed and the deficiency has not been corrected. Fees may not be imposed for tenant-caused damages, for cases in which the inspector could not gain access to the unit, or for new deficiencies discovered during a reinspection.

The owner may not pass the cost of a reinspection fee to the family. Reinspection fees must be added to HASCO's administrative fee reserves and may only be used for activities related to the provision of tenant-based assistance.

HASCO Policy

HASCO will not charge a fee for failed reinspections.

Remote Video Inspections (RVIs) [Notice PIH 2020-31]

As an alternative to some or all on-site inspections, HASCO may, but is not required to, perform HQS inspections from a remote location using video streaming technology and a proxy at the inspection site. Since there may be some circumstances in which the application of technology provides insufficient information or evidence to allow HASCO to make appropriate determinations about whether a condition violates HQS, Notice PIH 2020-31 requires that if HASCO chooses to implement RVIs, HASCO should have policies and procedures in place to address such limitations.

HASCO Policy

HASCO will not conduct any HQS inspection using RVI.

Notice and Scheduling

The family must allow HASCO to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

HASCO Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is not less than 48 hours. Generally, inspections will be conducted on business days between 8:00 a.m. and 7:00 p.m. In the case of a life-threatening emergency, HASCO will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits HASCO to set policy regarding family and owner presence at the time of inspection [HCV GB].

HASCO Policy

When a family occupies the unit at the time of inspection the presence of the family is not required, but is permitted. If a minor child will be present during the inspection, an authorized adult must be present.

At initial inspection of a vacant unit, HASCO will not require the owner or owner's representative to be present. The presence of a family representative is permitted but is not required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(A)]

Initial Inspections [FR Notice 1/18/17]

HASCO 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. Further, HASCO may, but is not required to, authorize occupancy if a unit passed an alternative inspection in the last 24 months.

HASCO Policy

The unit must pass the HQS inspection on or before the effective date of the HAP contract. HASCO will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing a HAP contract with the owner.

Timing of Initial Inspections

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 calendar days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 calendar days. The 15-calendar day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

HASCO Policy

HASCO will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 calendar days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

HASCO Policy

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by HASCO for good cause. HASCO will reinspect the unit within 5 business days of the date the owner notifies HASCO that the required corrections have been made.

If the period for correcting the deficiencies (or any HASCO-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, HASCO will notify the owner and the family that the unit has been rejected and that the family must search for another unit. HASCO may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval after the owner has made repairs, if they are unable to locate another suitable unit.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

HASCO Policy

All utilities must be in service prior to the inspection. If the utilities are not in service at the time of the inspection, the inspector will notify the family or owner (whoever is responsible for the utilities according to the Request for Tenancy Approval) to have the utilities turned on.

All tenant-paid utilities must be solely for the use of the tenant. If the owner retains use of any portion of the property (e.g., a storage shed), the owner-retained portion must have an independent utility source paid by the owner, or the owner must pay all of the applicable utilities. The owner may disconnect the utility to the owner-retained portion of the property.

Appliances [Form HUD-52580]

HASCO Policy

If the stove/range and/or refrigerator is provided by the landlord it must be installed in the unit and in working condition at the time of the initial inspection. The required appliances must be in place before the HAP contract is executed by HASCO. HASCO will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. The landlord or family must provide photographic or other documentation acceptable to HASCO of the appliance being present in the unit within 30 calendar days of HAP contract approval.

8-II.C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405 AND 982.406; NOTICE PIH 2016 05]

HASCO Policy

Each unit under HAP contract must be inspected biennially within 24 months of the last full HQS inspection. HASCO reserves the right to require annual inspections of any unit or owner at any time.

Participants whose units fail or have a serious comment item identified during any inspection may be scheduled for their next biennial inspection in one year.

HASCO defines a “serious comment item” as an item noted during the inspection that does not currently violate HQS, but the inspector has reason to believe that if the condition of the unit continues to deteriorate, it is expected to create a hazard to the family or a violation of HQS.

Scheduling the Inspection

HASCO Policy

If anyone in the household is sick or has been exposed to COVID, the family should request that HASCO reschedule the inspection. HASCO and family will agree on a new inspection date that generally should take place within five business days of the originally-scheduled date. HASCO may schedule an inspection more than five business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date, HASCO will automatically schedule a second inspection. If the family misses two scheduled inspections without HASCO approval, HASCO will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family’s assistance in accordance with [Chapter 12](#).

8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(G)]

If a participant or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, HASCO must inspect the unit within 24 hours of notification. If the reported condition is not life-threatening, HASCO must inspect the unit within 15 calendar days of notification.

HASCO Policy

HASCO may complete special inspections of units more frequently than once per year if the inspector has reason to believe that, either due to reported complaints or previous inspection results, the condition of the unit or tenant-caused conditions may result in the unit failing HQS within a shorter period than one year.

During a special inspection, HASCO generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the biennial inspection has been scheduled or is due within 90 calendar days of the date the special inspection is scheduled HASCO may elect to conduct a full biennial inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(B); 24 CFR 985.3(E); HCV GB]

HUD requires a HASCO supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample should be drawn to represent a cross section of neighborhoods and the work of a cross section of inspectors.

8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, HASCO will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

HASCO Policy

When life threatening conditions are identified, HASCO will immediately notify both parties by telephone, fax, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of HASCO's notice.

When failures that are not life threatening are identified, HASCO will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally not more than 30 calendar days will be allowed for the correction.

The notice of inspection results will inform the owner that if life threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any HASCO-approved extension), the owner's HAP will be abated in accordance with HASCO policy (see [8-II.G.](#)). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any HASCO-approved extension, if applicable) the family's assistance will be terminated in accordance with HASCO policy (see [Chapter 12](#)).

Extensions

HASCO Policy

Extensions will be granted in cases where HASCO has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 calendar days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

HASCO Policy

HASCO will conduct a reinspection immediately following the end of the corrective period, or any HASCO approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, HASCO will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with HASCO policies. If HASCO is unable to gain entry to the unit to conduct the scheduled reinspection, HASCO will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with [Chapter 12](#).

8-II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, HASCO must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by HASCO, HUD requires HASCO to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

HASCO Policy

HASCO will make all HAP abatements effective the first of the month following the expiration of HASCO specified correction period (including any extension).

HASCO will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

HASCO must decide how long any abatement period will continue before the HAP contract will be terminated. HASCO should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB] and must give the owner reasonable notice of the termination. HASCO will issue a voucher to permit the family to move to another unit as described in [Chapter 10](#).

HASCO Policy

The maximum length of time that HAP may be abated is 90 calendar days. However, if the owner completes corrections and notifies HASCO before the termination date of the HAP contract, HASCO may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by HASCO is 30 calendar days.

8-II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by HASCO (and any extensions), HASCO will terminate the family's assistance, according to the policies described in [Chapter 12](#).

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

Except in the case of certain LIHTC- and HOME-assisted units, no HAP contract can be approved until HASCO has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

HASCO-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a HASCO-owned unit, HASCO must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance.

In accordance with HOTMA, a unit is "owned by HASCO" if the unit is in a project that is:

- (a) Owned by HASCO (which includes HASCO having a "controlling interest" in the entity that owns the unit);
- (b) Owned by an entity wholly controlled by HASCO; or
- (c) Owned by a limited liability company (LLC) or limited partnership in which HASCO (or an entity wholly controlled by HASCO) holds a controlling interest in the managing member or general partner.

"Controlling interest" means:

- (a) Holding more than 50 percent of the stock of any corporation; or
- (b) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or
- (c) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of HASCO; or
- (d) Holding more than 50 percent of all managing member interests in an LLC; or
- (e) Holding more than 50 percent of all general partner interests in a partnership; or
- (f) Having equivalent levels of control in other ownership structures. Most ownership structures are already covered in the categories listed above. This last category is meant to cover any ownership structure not already listed in the categories above. Also, under this category (f), HASCO must have more than 50 percent control in that ownership structure (an equivalent level of control) for the project to be considered HASCO-owned.

The independent agency must communicate the results of the rent reasonableness determination to the family and HASCO. The independent agency must be approved by HUD, and may be the unit of general local government for HASCO jurisdiction (unless HASCO is itself the unit of general local government or an agency of such government).

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

HASCO must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. HASCO (or independent agency in the case of HASCO-owned units) will assist the family with the negotiations upon request. At initial occupancy HASCO must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

HASCO Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, HASCO may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises HASCO will consider unit size and length of tenancy in the other units.

HASCO will determine whether the requested increase is reasonable within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 60 calendar days after HASCO's receipt of the owner's request or on the date specified by the owner, whichever is later.

HASCO- and HUD-Initiated Rent Reasonableness Determinations

HUD requires HASCO 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 calendar days before the contract anniversary date. HUD also may direct HASCO to make a determination at any other time. HASCO may decide that a new determination of rent reasonableness is needed at any time.

HASCO Policy

In addition to the instances described above, HASCO will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) HASCO determines that the initial rent reasonableness determination was in error or (2) HASCO determines

that the information provided by the owner about the unit or other units on the same premises was incorrect.

LIHTC- and HOME-Assisted Units [24 CFR 982.507(c)]

For units receiving low-income housing tax credits (LIHTCs) or units assisted under HUD's HOME Investment Partnerships (HOME) Program, a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

For LIHTCs, if the rent requested by the owner does exceed the LIHTC rents for non-voucher families, HASCO must perform a rent comparability study in accordance with program regulations. In such cases, the rent shall not exceed the lesser of: (1) the reasonable rent as determined from the rent comparability study; or (2) the payment standard established by HASCO for the unit size involved.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires HASCO to take into consideration the factors listed below when determining rent comparability. HASCO may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

Units that Must Not Be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance [Notice PIH 2002-22, Notice PIH 2005-20, and Notice PIH 2020-19].

Note: Notice PIH 2020-19, issued August 21, 2020, provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting HASCO payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give HASCO information regarding rents charged for other units on the premises.

8-III.D. HASCO RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

HASCO Policy

HASCO will collect and maintain data on market rents in HASCO's jurisdiction. Information sources include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis.

How Rents Are Determined

HASCO Policy

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. HASCO will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range.

Adjustments

Because units may be similar, but not exactly like the unit proposed for HCV assistance, HASCO may adjust the range of prices to account for these differences.

The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference—not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first

month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500 / 12 \text{ months} = \text{actual monthly rent of } \488 .

HASCO will notify the owner of the rent HASCO can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. HASCO will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business days of HASCO's request for information or the owner's request to submit information. If additional information is not submitted to HASCO within 5 business days, any changes to the requested rent will be considered a new request and must be submitted at least 60 days prior to the desired effective date.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if

there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities within 30 calendar days when identified by HASCO
- 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 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 HASCO). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities within 30 calendar days.

See HCV GB for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Heath/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.
- *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.

CHAPTER 9

GENERAL LEASING POLICIES

INTRODUCTION

Chapter 9 has only one section and 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 HASCO to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, HASCO 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 HASCO 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 HASCO, 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-I.A. TENANT SCREENING

HASCO 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)].

HASCO may elect to screen applicants for family behavior or suitability for tenancy. See [Chapter 3](#) for a discussion of HASCO's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HASCO approval of the tenancy, HASCO must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. HASCO 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)].

HASCO must provide the owner with the family's current and prior address (as shown in HASCO records) and the name and address (if known to HASCO) of the landlord at the family's current and prior address [24 CFR 982.307(b)(1)].

HASCO is permitted, but not required, to offer the owner other information in HASCO's possession about the tenancy history or drug trafficking of family members [24 CFR 982.307(b)(2)].

HASCO's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

HASCO may not disclose to the owner any confidential information provided by the family in response to a HASCO 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)].

HASCO Policy

HASCO will not screen applicants for family behavior or suitability for tenancy.

HASCO will not provide additional screening information to the owner.

9-I.B. REQUESTING TENANCY APPROVAL [FORM HUD-52517]

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request HASCO to approve the assisted tenancy in the selected unit.

The owner and the family must submit two documents to HASCO:

- Completed Request for Tenancy Approval (RTA) – Form HUD-52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for HASCO to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless HASCO has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB].

HASCO Policy

The Request for Tenancy Approval (RFTA) must be signed by both the family and the owner.

The owner may submit the RFTA on behalf of the family.

Completed RFTA must be submitted as hard copies by mail, fax, email, or in person.

The family may not submit, and HASCO will not process, more than one (1) RFTA at a time.

The RFTA will be cancelled if the unit is not made available for inspection within sixty (60) calendar days of the date that HASCO received the RFTA.

When the family submits the RFTA HASCO will review the RFTA for completeness.

- If the RFTA is incomplete (including lack of signature by family, owner, or both), HASCO will notify the owner of the deficiencies.
- Missing information and/or missing documents will be accepted as hard copies by mail, fax, email, or in person. HASCO may accept missing information over the phone.

When the family submits the RTA and proposed lease, the PHA will also review the terms of the RTA for consistency with the terms of the proposed lease.

- If the terms of the RTA are not consistent with the terms of the proposed lease, the PHA will notify the family and the owner of the discrepancies.
- Corrections to the terms of the RTA or the proposed lease will only be accepted as hard copies by mail, fax, email, or in person. The PHA will not accept corrections by phone.

Because of the time sensitive nature of the tenancy approval process, HASCO will attempt to communicate with the owner and family by phone, fax, or email. HASCO will use mail when the parties can't be reached by phone, fax, or email.

9-I.C. OWNER PARTICIPATION

HASCO does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where HASCO may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which HASCO must disapprove an owner. No owner has a right to participate in the HCV program [24 CFR 982.306(e)]

See [Chapter 13](#) for a full discussion of owner qualification to participate in the HCV program.

9-I.D. ELIGIBLE UNITS

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any

available rental dwelling unit on the market in HASCO's jurisdiction. This includes the dwelling unit they are currently occupying.

Ineligible Units [24 CFR 982.352(a)]

HASCO may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

HASCO-Owned Units [24 CFR 982.352(b)]

Otherwise eligible units that are owned or substantially controlled by HASCO issuing the voucher may also be leased in the voucher program. In order for a HASCO-owned unit to be leased under the voucher program, the unit must not be ineligible housing and HASCO must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a HASCO-owned unit without any pressure or steering by HASCO.

HASCO Policy

HASCO has eligible HASCO-owned units available for leasing under the voucher program but will not pressure or steer families towards HASCO-owned units.

Special Housing Types [24 CFR 982 Subpart M]

HUD regulations permit, but do not generally require, HASCO to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See [Chapter 15](#) for specific information and policies on any of these housing types that HASCO has chosen to allow.

The regulations do require HASCO to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Duplicative Assistance [24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);

- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See [Chapter 8](#) for a full discussion of the HQS standards, as well as the process for HQS inspection at initial lease-up.

Unit Size

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See [Chapter 5](#) for a full discussion of subsidy standards.

Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See [Chapter 8](#) for a full discussion of rent reasonableness and the rent reasonableness determination process.

Rent Burden [24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family share cannot exceed 40 percent of the family's adjusted monthly income. The term "family share" refers to the amount the family pays toward rent and utilities. The gross rent for the unit minus the total housing assistance payment (HAP)

for the unit equals the family share. 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-I.E. LEASE AND TENANCY ADDENDUM

The family and the owner must execute a written dwelling lease agreement for the assisted unit. This written lease is a contract between the tenant family and the owner; HASCO is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner [24 CFR 982.308(a)]

Lease Form and Tenancy Addendum [24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease for the assisted tenants is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

HASCO Policy

HASCO does not provide a model or standard dwelling lease for owners to use in the HCV program.

Lease Information [24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

Term of Assisted Tenancy

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit HASCO to approve a shorter initial lease term if certain conditions are met.

HASCO Policy

The initial term of the assisted dwelling lease for all other program participants must be for at least one month [24 CFR 982.309].

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

HASCO may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

Security Deposit [24 CFR 982.313 (a) and (b)]

The owner may collect a security deposit from the tenant. HASCO may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if HASCO chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

HASCO Policy

HASCO will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

Separate Non-Lease Agreements between Owner and Tenant

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by HASCO minus HASCO's housing assistance payments to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

HASCO Policy

HASCO permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Month-to-month fees and other lease term fees are considered part of the total rent to owner and will be included in determining the reasonableness of the rent for the property. 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.

HASCO Review of Lease

HASCO will review the dwelling lease for compliance with all applicable requirements.

HASCO Policy

If the dwelling lease is incomplete or incorrect, HASCO will notify the owner of the deficiencies. Missing and corrected lease information will only be accepted in writing by mail, fax, email, or in person.

Because the initial leasing process is time-sensitive, HASCO will attempt to communicate with the owner and family by phone, fax, or email. HASCO will use mail when the parties can't be reached by phone, fax, or email.

HASCO 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 HASCO determines that the lease does not comply with State or local law [24 CFR 982.308(c)]

HASCO Policy

HASCO will not review the owner's lease for compliance with state/local law.

9-I.F. TENANCY APPROVAL [24 CFR 982.305]

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, HASCO must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, HASCO must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by HASCO and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit must be reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by HASCO, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

HASCO Policy

HASCO will complete its determination within 10 business days of receiving all required information.

If the terms of the RFTA are changed for any reason, HASCO will obtain a corrected copy. Corrections to the RFTA will be accepted in writing by mail, fax, email, or in person.

If HASCO determines that the tenancy cannot be approved for any reason, the owner and the family will be notified verbally or in writing and given the opportunity to address any reasons for disapproval. HASCO will instruct the owner and family of the steps that are necessary to obtain approval of the tenancy. Where the tenancy is not approved because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability (including rent burden and rent reasonableness), HASCO will attempt to negotiate the rent with the owner at the request of the participant. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]

The HAP contract is a written agreement between HASCO and the owner of the dwelling unit. Under the HAP contract, HASCO agrees to make housing assistance payments to the owner on behalf of the family, and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract form is prescribed by HUD.

If HASCO has given approval for the family of the assisted tenancy, the owner and HASCO must execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

HASCO is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

HASCO 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.

HASCO 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, HASCO 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 calendar days).

Any HAP contract executed after the 60-calendar day period is void, and HASCO may not pay any housing assistance payment to the owner.

HASCO Policy

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to HASCO.

The owner and HASCO will execute the HAP contract. HASCO will not execute the HAP contract until the owner has submitted IRS form W-9 and a copy of the lease. HASCO will ensure that the owner receives a copy of the executed HAP contract.

As required under VAWA 2013, once the HAP contract and lease have been executed and the family has been admitted to the program, HASCO 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 (form HUD-5380).

See [Chapter 13](#) for a discussion of the HAP contract and contract provisions.

9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give HASCO a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, HASCO approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, the execution of a new lease and HAP contract are required. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease

- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify HASCO at least 60 calendar days before any such changes go into effect [24 CFR 982.308(g)(4)]. HASCO will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in [Chapter 8](#). If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or terminate the tenancy in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

HASCO Policy

Rent increase requests will only be accepted with one rent amount listed. Multiple rent amount offers based on the length of the term of the lease will not be accepted by HASCO as an increase in rent request.

Where the owner is requesting a rent increase, HASCO will determine whether the requested increase is reasonable upon receiving the request from the owner. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 60 calendar day period after the owner notifies HASCO of the rent change or on the date specified by the owner, whichever is later.

CHAPTER 10

MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY

INTRODUCTION

Freedom of housing choice is a hallmark of the housing choice voucher (HCV) program. In general, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and HASCO policies governing moves within or outside HASCO's jurisdiction in two parts:

[Part I: Moving with Continued Assistance](#). This part covers the general rules that apply to all moves by a family assisted under HASCO's HCV program, whether the family moves to another unit within HASCO's jurisdiction or to a unit outside HASCO's jurisdiction under portability.

[Part II: Portability](#). This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into HASCO's jurisdiction. This part also covers the special responsibilities that HASCO has under portability regulations and procedures.

PART I: MOVING WITH CONTINUED ASSISTANCE

10-I.A. ALLOWABLE MOVES

HUD lists six regulatory 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-I.B.](#)

- 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)]. If the family terminates the lease on notice to the owner, the family must give HASCO a copy of the notice at the same time [24 CFR 982.354(d)(1)].
- 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)].

[HASCO Policy](#)

[If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give HASCO a copy of the termination agreement.](#)

- 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 HASCO a copy of any owner eviction notice [24 CFR 982.551(g)].

- 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 HASCO, 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)]. HASCO must adopt an emergency transfer plan as required by regulations at 24 CFR 5.2005(e).

HASCO Policy

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, HASCO will instruct the resident request the emergency transfer using form HUD-5383, and HASCO will request documentation in accordance with [section 16-IX.D](#) of this plan.

HASCO may choose to provide a voucher to facilitate an emergency transfer of the victim without first terminating the assistance of the perpetrator.

HASCO 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 HASCO will document the waiver in the family's file.

HASCO has adopted an emergency transfer plan, which is included as [Exhibit 16-3](#) to this plan and discusses external transfers to other covered housing programs.

- HASCO has terminated the HAP Contract for the family's unit for the owner's breach [24 CFR 982.354(b)(1)(i)].
- HASCO 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. In such cases, HASCO must issue the family a new voucher, and the family and HASCO must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, HASCO 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. The HAP contract terminates at the end of the calendar month that follows the calendar month in which HASCO gives notice to the owner. [24 CFR 982.403(a) and (c)]

10-I.B. RESTRICTIONS ON MOVES

A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)]. HUD specifies two conditions under which HASCO may deny a family permission to move and two ways in which HASCO may restrict moves by a family.

Denial of Moves

HUD regulations permit HASCO to deny a family permission to move under the following conditions:

Insufficient Funding

HASCO may deny a family permission to move either within or outside HASCO's jurisdiction if HASCO does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)]. However, Notice PIH 2016-09 significantly restricts the ability of HASCO to deny permission to move due to insufficient funding and places further requirements on HASCO regarding moves denied due to lack of funding. The requirements found in this notice are mandatory.

HASCO Policy

HASCO will deny a family permission to move on grounds that HASCO does not have sufficient funding for continued assistance if:

- (a) the move is initiated by the family, not the owner or HASCO;
- (b) HASCO can demonstrate that the move will, in fact, result in higher subsidy costs; and
- (c) HASCO can demonstrate, in accordance with the policies in [Part VIII](#) of [Chapter 16](#), 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.

If HASCO does not have sufficient funding for continued assistance, but the family must move from their unit (e.g., the unit failed HQS), the family may move to a higher cost unit if the move is within HASCO's jurisdiction. HASCO, however, will not allow the family to move under portability in this situation if the family wishes to move to a higher cost area.

For both moves within HASCO's jurisdiction and outside under portability, HASCO will not deny a move due to insufficient funding if HASCO previously approved the move and subsequently experienced a funding shortfall if the family cannot remain in their current unit. HASCO will rescind the voucher in this situation if the family will be allowed to remain in their current unit.

HASCO will create a list of families whose moves have been denied due to insufficient funding. When funds become available, the families on this list will take precedence over families on the waiting list. HASCO will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list (see [section 4-III.D](#)).

HASCO will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

Grounds for Denial or Termination of Assistance

HASCO may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

HASCO Policy

If HASCO has grounds for denying or terminating a family's assistance, HASCO will act on those grounds in accordance with the regulations and policies set forth in [Chapters 3](#) and [12](#), respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances.

Restrictions on Elective Moves [24 CFR 982.354(c)]

HUD regulations permit HASCO to prohibit any elective move by a participant family during the family's initial lease term. They also permit HASCO to prohibit more than one elective move by a participant family during any 12-month period. However, such prohibitions, if adopted, 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. (For the policy on documentation of abuse, see [section 10-I.A.](#)) In addition, HASCO may not establish a policy permitting moves only at reexamination [Notice PIH 2016-09].

HASCO Policy

Families are permitted to move within HASCO's jurisdiction after completing the initial lease term. HASCO will deny permission to move out of HASCO's jurisdiction if the family owes HASCO money.

If neither the head of household nor the spouse/cohead of an applicant family had a legal residence in HASCO's jurisdiction at the time the family's pre-application for assistance was submitted, the family must lease a unit within the initial HASCO jurisdiction for at least twelve months before requesting portability.

The family will be allowed to move as an exception:

- (a) in the case of a natural disaster.
- (b) for purposes of reasonable accommodation of a family member who is a person with disabilities (see [Chapter 2](#)).

10-I.C. MOVING PROCESS

Notification

If a family wishes to move to a new unit, the family must notify HASCO 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)]. If the family wishes to move to a unit outside HASCO's jurisdiction under portability, the notice to HASCO 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].

Approval

HASCO Policy

Upon receipt of a family's notification that it wishes to move, HASCO will determine whether the move is approvable in accordance with the regulations and policies set forth in [sections 10-I.A](#) and [10-I.B](#). HASCO will notify the family in writing of its determination following receipt of the family's notification.

Reexamination of Family Income and Composition

HASCO Policy

For families approved to move to a new unit within HASCO's jurisdiction, HASCO will perform a reexamination in accordance with the policies set forth in [Chapter 11](#) of this plan. For families moving into HASCO's jurisdiction under portability and families approved to move out of HASCO's jurisdiction under portability, HASCO will follow the policies set forth in Part II of this chapter.

Voucher Issuance and Briefing

HASCO Policy

For families eligible to move to a new unit within HASCO's jurisdiction, HASCO can issue a them a RFTA prior to them giving notice at their current unit or once notice is given. This will allow for the participant maximum amount of time to find a place before committing to move. HASCO will issue a new voucher once it is determined the participant and their new home meet eligibility.

HASCO will follow the policies set forth in [Chapter 5](#) on voucher term, extension, and expiration. If a family moves and is unable to locate a new unit within the term and any extensions, the family will lose its assistance.

For families moving into HASCO's jurisdiction under portability and families approved to move out of HASCO's jurisdiction under portability, HASCO will follow the policies set forth in [Part II](#) of this chapter.

Housing Assistance Payments [24 CFR 982.311(d)]

When a family moves out of an assisted unit, HASCO may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

Zero HAP Families Who Wish to Move [24 CFR 982.455]

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.

PHA Policy

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.

PART II: PORTABILITY

10-II.A. OVERVIEW

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)]. 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. The PHA that issues the voucher is called the **initial PHA**. The PHA that has jurisdiction in the area to which the family wants to move is called the **receiving PHA**.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA provides all housing services for the family and bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance with its own program funds, and the initial PHA has no further relationship with the family. The initial PHA must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the initial PHA's voucher. Based on the receiving PHA's response, the initial PHA must determine whether they will approve or deny the portability request [Notice PIH 2016-09].

PHAs commonly act as both the initial and receiving PHA because families may move into or out of their jurisdiction under portability. Each role involves different responsibilities. The PHA will follow the rules and policies in [section 10-II.B](#) when it is acting as the initial PHA for a family. It will follow the rules and policies in [section 10-II.C](#) when it is acting as the receiving PHA for a family.

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)].

PHAs must also comply with billing and payment deadlines. HUD may reduce an administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements [24 CFR 982.355(e)(7)].

10-II.B. INITIAL PHA ROLE

Allowable Moves under Portability

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, HASCO provides the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform HASCO which receiving PHA it has selected. If the family prefers not to select the receiving PHA, the HASCO will select the receiving PHA on behalf of the family [24 CFR 982.255(b)].

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside HASCO's jurisdiction under portability. HUD regulations and HASCO policy determine whether a family qualifies.

Applicant Families

Under HUD regulations, most applicant families qualify to lease a unit outside HASCO's jurisdiction under portability. However, HUD gives HASCO 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: insufficient funding and grounds for denial or termination of assistance. If HASCO intends to deny a family permission to move under portability due to insufficient funding, HASCO must notify HUD within 10 business days of the determination to deny the move [24 CFR 982.355(e)].

HASCO Policy

In determining whether or not to deny an applicant family permission to move under portability because HASCO lacks sufficient funding or has grounds for denying assistance to the family, HASCO will follow the policies established in [section 10-I.B](#) of this chapter. If HASCO does deny the move due to insufficient funding, HASCO will notify HUD in writing within 10 business days of HASCO's determination to deny the move.

In addition, HASCO 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)].

HASCO Policy

If neither the head of household nor the spouse/cohead of an applicant family had a legal residence in HASCO's jurisdiction at the time the family's pre-application for assistance was submitted, the family must lease a unit within HASCO jurisdiction for at least twelve months before requesting portability.

HASCO will consider other exceptions to this policy for purposes of reasonable accommodation (see [Chapter 2](#)) or reasons related to domestic violence, dating violence, sexual assault, or stalking.

Participant Families

HASCO 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)]. 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 a family member 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 [24 CFR 982.353(b)].

HASCO Policy

HASCO will determine whether a participant family may move out of HASCO's jurisdiction with continued assistance in accordance with the regulations and policies

set forth here and in [sections 10-I.A](#) and [10-I.B](#) of this chapter. HASCO will notify the family of its determination in accordance with the approval policy set forth in section [10-I.C](#) of this chapter.

Determining Income Eligibility

Applicant Families

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)(3)]. The family must specify the area to which the family wishes to move [24 CFR 982.355(c)(1)].

HASCO 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, HASCO must inform the family that it may not move there and receive voucher assistance [Notice PIH 2016-09].

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)].

Reexamination of Family Income and Composition

No new reexamination of family income and composition is required for an applicant family.

HASCO Policy

For a participant family approved to move out of its jurisdiction under portability, HASCO generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before the initial billing deadline specified on form HUD-52665, Family Portability Information. HASCO will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

Briefing

The regulations and policies on briefings set forth in [Chapter 5](#) of this plan require HASCO to provide information on portability to all applicant families that qualify to lease a unit outside HASCO's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

HASCO Policy

No formal briefing will be required for a participant family wishing to move outside HASCO's jurisdiction under portability. However, upon request, HASCO will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program (see [Chapter 5](#)).

HASCO will provide the name, address, and phone of the contact for the PHAs in the jurisdiction to which they wish to move. If there is more than one PHA with jurisdiction over the area to which the family wishes to move, HASCO will advise the family that the family selects the receiving PHA and notify HASCO of which receiving PHA was selected.

HASCO will provide the family with contact information for the receiving PHAs that serve the area. HASCO will not provide any additional information about receiving PHAs in the area. HASCO will further inform the family that if the family prefers not to select the receiving PHA, HASCO will select the receiving PHA on behalf of the family. In this case, HASCO will not provide the family with information for all receiving PHAs in the area.

HASCO will advise the family that they will be under the receiving PHA's policies and procedures, including screening, subsidy standards, voucher extension policies, and payment standards.

Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, HASCO will follow the regulations and procedures set forth in [Chapter 5](#).

HASCO Policy

For families approved to move under portability, HASCO will issue a new voucher once it has been determined the participant is eligible to move. HASCO will provide the family with the same voucher terms that it provides to applicant families selected for admission to the program (see [Chapter 5](#).)

Voucher Extensions and Expiration

HASCO Policy

HASCO will only approve extensions to a voucher issued to an applicant or participant family porting out of HASCO's jurisdiction as set forth in Chapter 5, [section 5-II.E](#).

To receive or continue receiving assistance under HASCO'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 90 calendar days following the expiration date of HASCO's voucher term (including any extensions). (See below under "Initial Billing Deadline" for one exception to this policy.)

Preapproval Contact with the Receiving PHA

Prior to approving a family's request to move under portability, HASCO must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's response, HASCO must determine whether it will approve or deny the move [24 CFR 982.355(c)(3)].

HASCO Policy

HASCO will use email, when possible, to contact the receiving PHA regarding whether the receiving PHA will administer or absorb the family's voucher.

Initial Notification to the Receiving PHA

After approving a family's request to move under portability, HASCO must 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)]. HASCO must also advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(6)].

HASCO Policy

Because the portability process is time-sensitive, HASCO will notify the receiving PHA by phone, fax, or email to expect the family. HASCO will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, email address, and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. HASCO will pass this information along to the family. HASCO will also ask for the name, address, telephone number, fax and email of the person responsible for processing the billing information.

Sending Documentation to the Receiving PHA

HASCO is required to send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2016-09]
- A copy of the family's voucher [Notice PIH 2016-09]
- 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)(74), [Notice PIH 2016-09]
- Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(74), [Notice PIH 2016-09]

HASCO Policy

In addition to these documents, HASCO will provide the following information, if available, to the receiving PHA:

- Social security numbers (SSNs)
- Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system
- Documentation of legal identity
- Documentation of citizenship or eligible immigration status
- Documentation of participation in the earned income disallowance (EID) benefit
- Documentation of participation in a family unification program (FUP), non-elderly disabled (NED/NED II) or veteran affairs supportive housing (VASH) program

- Documentation of participation in a family self-sufficiency (FSS) program

HASCO will notify the family in writing regarding any information provided to the receiving PHA [HCV GB].

Initial Billing Deadline [Notice PIH 2016-09]

The deadline for submission of initial billing is 90 calendar days following the expiration date of the voucher issued to the family by HASCO. In cases where suspension of the voucher delay the initial billing submission, the receiving PHA must notify HASCO of delayed billing before the billing deadline and document the delay is due to the suspension. In this case, HASCO must extend the billing deadline by 30 calendar days.

If HASCO does not receive a billing notice by the deadline and does not intend to honor a late billing submission, it must notify the receiving PHA in writing. HASCO may report to HUD the receiving PHA's failure to comply with the deadline.

If HASCO will honor the late billing, no action is required.

HASCO Policy

If HASCO has not received an initial billing notice from the receiving PHA within the billing deadline, and does not intend to honor the late billing, it will contact the receiving PHA to inform them that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. In this case, HASCO will send the receiving PHA a written confirmation of its decision.

HASCO 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.

Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2016-09]

If the receiving PHA is administering the family's voucher, the receiving PHA bills HASCO for housing assistance payments and administrative fees. When reimbursing for administrative fees, HASCO must promptly reimburse the receiving PHA for the lesser of 80 percent of HASCO'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 HASCO under portability. 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)].

HASCO is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after HASCO receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

HASCO may not terminate or delay making payments under existing portability billing arrangements as a result of overleasing or funding shortfalls. HASCO 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.

HASCO Policy

HASCO will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies HASCO that direct deposit is not acceptable to them.

Annual Updates of Form HUD-50058

If HASCO is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA. If HASCO fails to receive an updated 50058 by the family's annual reexamination date, HASCO should contact the receiving PHA to verify the status of the family. HASCO must continue paying the receiving PHA based on the last form HUD-50058 received, unless instructed otherwise by HUD. HASCO may seek absorption of the vouchers by following steps outlined in Notice PIH 2016-09.

Denial or Termination of Assistance [24 CFR 982.355(c)(17)]

At any time, either HASCO 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 HASCO policies on denial and termination, see [Chapters 3](#) and [12](#), respectively.)

10-II.C. RECEIVING PHA ROLE

If a family has a right to lease a unit in HASCO's jurisdiction under portability, HASCO must provide assistance for the family [24 CFR 982.355(10)]. HUD may determine in certain instances that HASCO is not required to accept incoming portable families, such as if HASCO were in a declared disaster area. However, HASCO must have approval in writing from HUD before refusing any incoming portable families [24 CFR 982.355(b)].

Administration of the voucher must be in accordance with HASCO's policies. This requirement also applies to policies of Moving to Work agencies. HASCO procedures and preferences for selection among eligible applicants do not apply to the family, and HASCO waiting list is not used [24 CFR 982.355(c)(10)]. The family's unit, or voucher, size is determined in accordance with the subsidy standards of HASCO [24 CFR 982.355(c)(12)], and HASCO's policies on extensions of the voucher term apply [24 CFR 982.355(c)(14)].

Responding to Initial PHA's Request [24 CFR 982.355(c)]

HASCO must respond via email or other confirmed delivery method to the initial PHA's inquiry to determine whether the family's voucher will be billed or absorbed [24 CFR 982.355(c)(3)]. If HASCO informs the initial PHA that it will be absorbing the voucher, HASCO cannot reverse its decision at a later date without consent of the initial PHA [24 CFR 982.355(c)(4)].

HASCO Policy

HASCO will use email, when possible, to notify the initial PHA whether it will administer or absorb the family's voucher.

Initial Contact with Family

When a family moves into HASCO's jurisdiction under portability, the family is responsible for promptly contacting HASCO and complying with HASCO's procedures for incoming portable families. The family's failure to comply may result in denial or termination of HASCO's voucher [24 CFR 982.355(c)(8)].

If the voucher issued to the family by the initial PHA has expired, HASCO must contact the initial PHA to determine if it will extend the voucher [24 CFR 982.355(c)(13)]. An informal hearing is not required when a voucher has expired without the family leasing a unit.

If for any reason HASCO 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.")

Briefing

HUD allows HASCO to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family's search [Notice PIH 2012-42].

HASCO Policy

HASCO will not require the family to attend a briefing. HASCO will provide the family with a briefing packet (as described in [Chapter 5](#)) and, in an individual briefing, will orally inform the family about HASCO's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process. HASCO will suggest that the family attend a full briefing at a later date.

Income Eligibility and Reexamination

HASCO 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)]. If HASCO opts to conduct a new reexamination for a current participant family, HASCO may not delay issuing the family a voucher or otherwise delay approval of a unit [24 CFR 982.355(c)(11)].

HASCO Policy

For any family moving into its jurisdiction under portability, HASCO will conduct a new reexamination of family income and composition. However, HASCO will not delay issuing the family a voucher for this reason. Nor will HASCO delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and HASCO cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, HASCO will rely upon any verifications provided by the initial PHA to the extent that they (a) accurately reflect the family's current circumstances and (b) were obtained within the last 120 calendar days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

Voucher Issuance

When a family moves into its jurisdiction under portability, HASCO is required to issue the family a voucher [24 CFR 982.355(c)(13)]. The family must submit a request for tenancy approval to HASCO during the term of HASCO's voucher [24 CFR 982.355(c)(6)].

Timing of Voucher Issuance

HUD expects HASCO 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 HASCO, and the family complies with HASCO's procedures [Notice PIH 2016-09].

HASCO Policy

When a family ports into its jurisdiction, HASCO 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 HASCO's procedures. HASCO will update the family's information when verification has been completed.

Voucher Term

The term of HASCO's voucher may not expire before 30 calendar days from the expiration of the initial PHA's voucher [24 CFR 982.355(c)(13)]. If the initial PHA extends the term of the voucher, HASCO's voucher may not expire before 30 calendar days from the new expiration date of the initial PHA's voucher [Notice PIH 2016-09].

PHA Policy

HASCO's voucher will expire 30 calendar days from the expiration date of the initial PHA's voucher. If the initial PHA extends the term of the voucher, HASCO's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

Voucher Extensions [24 CFR 982.355(c)(14), Notice 2016-09]

Once HASCO issues the portable family a voucher, HASCO's policies on extensions of the voucher term apply. HASCO 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. Unless willing and able to absorb the family, HASCO 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.

HASCO Policy

HASCO will extend portability vouchers following the voucher extension policy in section [5-II.E](#), with one limitation due to billing deadline. HASCO will not extend the term of the voucher beyond the date that is 30-days prior to the billing deadline to allow sufficient time for RFTA processing and billing.

Extensions will not be approved if the voucher expiration would be within 30-days of billing deadline or if the IHA is unwilling to extend the billing deadline. Extensions may be approved if the IHA is willing to extend the billing deadline equal to the amount of

extension time or if the extension would not exceed the 30-days before billing deadline date.

HASCO will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see [Chapter 2](#)).

Voucher Suspensions [24 CFR 982.303, 24 CFR 982.355(c)(15)]

If the family submits a request for tenancy approval during the term of HASCO's voucher, HASCO must suspend the term of that voucher. The term of the voucher stops from the date that the family submits a request for HASCO approval of the tenancy until the date HASCO notifies the family in writing whether the request has been approved or denied [24 CFR 982.4(b)] (see [Section 5-II.E](#)).

Notifying the Initial PHA

HASCO 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 HASCO's voucher [24 CFR 982.355(c)(16)]. HASCO 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.")

If an incoming portable family ultimately decides not to lease in the jurisdiction of HASCO but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, HASCO must refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by HASCO's voucher is only valid for the family's search in HASCO's jurisdiction [Notice PIH 2016-09].

Administering a Portable Family's Voucher

Portability Billing [24 CFR 982.355(e)]

To cover assistance for a portable family that was not absorbed, HASCO bills the initial PHA for housing assistance payments and administrative fees. The amount of the housing assistance payment for a portable family in HASCO's program is determined in the same manner as for other families in HASCO's program.

HASCO may bill the initial PHA for the lesser of 80 percent of the initial PHA's ongoing administrative fee or 100 percent of HASCO's ongoing administrative fee for each program unit under contract on the first day of the month for which HASCO is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which HASCO may bill (i.e., HASCO may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of HASCO's ongoing administrative fee).

If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

HASCO Policy

Unless HASCO negotiates a different amount of reimbursement with the initial PHA, HASCO will bill the initial PHA the maximum amount of administrative fees allowed, ensuring any administrative fee proration has been properly applied.

Initial Billing Deadline

If a portable family's search for a unit is successful and HASCO intends to administer the family's voucher, HASCO must submit its initial billing notice (Part II of form HUD-52665) in time that the notice will be **received** no later than 90 calendar days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2016-09]. This deadline may be extended for 30 additional calendar days if the delay is due to suspension of the voucher's term (see Initial Billing Section). A copy of the family's form HUD-50058, Family Report, completed by HASCO must be attached to the initial billing notice. HASCO may send these documents by mail, fax, or email.

HASCO Policy

HASCO will send its initial billing notice by fax or email, if necessary, to meet the billing deadline but will also send the notice by regular mail.

If HASCO fails to send the initial billing within 10 business days following the date the HAP contract is executed, it is required to absorb the family into its own program unless (a) the initial PHA is willing to accept the late submission or (b) HUD requires the initial PHA to honor the late submission (e.g., because HASCO is overleased) [Notice PIH 2012-42].

Ongoing Notification Responsibilities [Notice PIH 2016-09, HUD-52665]

Annual Reexamination. HASCO 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 HASCO is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

HASCO Policy

HASCO will send a copy of the updated HUD-50058 by regular mail no later than 10 business days after the effective date of the reexamination.

Change in Billing Amount. HASCO 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 change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Payment of a damage/vacancy loss claim for the family
- Termination of the family from the program

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. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount. If HASCO fails to send Form HUD-52665 within 10 business days of effective date of billing changes, the initial PHA is not responsible for any increase prior to notification. 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.

Late Payments [Notice PIH 2016-09]

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, HASCO must promptly notify the initial PHA in writing of the deficiency. 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). HASCO must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over HASCO. If the initial PHA fails to correct the problem by the second month following the notification, HASCO may request by memorandum to the director of the OPH with jurisdiction over HASCO that HUD transfer the unit in question. A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached. HASCO must send a copy of the memorandum to the initial PHA. 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 HASCO.

Overpayments [Notice PIH 2016-09]

In all cases where HASCO has received billing payments for billing arrangements no longer in effect, HASCO is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

In the event that HUD determines billing payments have continued for at least three months because HASCO failed to notify the initial PHA that the billing arrangement was terminated, HASCO must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over HASCO of the date and the amount of reimbursement to the initial PHA.

At HUD's discretion, HASCO will be subject to the sanctions spelled out in Notice PIH 2012-42.

Denial or Termination of Assistance

At any time, HASCO may make a determination to deny or terminate assistance to a portable family for family action or inaction [24 CFR 982.355(c)(17)].

In the case of a termination, HASCO should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should HASCO 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].

HASCO Policy

If HASCO elects to deny or terminate assistance for a portable family, HASCO will notify the initial PHA within 10 business days after the informal review or hearing if the denial or termination is upheld. HASCO will base its denial or termination decision on the policies set forth in [Chapter 3](#) or [Chapter 12](#), respectively. The informal review or hearing will be held in accordance with the policies in [Chapter 16](#). HASCO will furnish the initial PHA with a copy of the review or hearing decision.

Absorbing a Portable Family

HASCO may absorb an incoming portable family into its own program when HASCO executes a HAP contract on behalf of the family or at any time thereafter providing that (a) HASCO has funding available under its annual contributions contract (ACC) [24 CFR 982.355(d)(1), Notice PIH 2016-09].

If HASCO absorbs a family from the point of admission, the admission will be counted against the income targeting obligation of HASCO [24 CFR 982.201(b)(2)(vii)].

If HASCO absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, HASCO 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].

HASCO Policy

If HASCO decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, HASCO 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.

If HASCO decides to absorb a family after that, it will provide the initial PHA with 30 calendar days' notice, but no later than 10 business days following the effective date of the termination of the billing arrangement.

Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for HASCO's voucher program [24 CFR 982.355(d)], and HASCO becomes the initial PHA in any subsequent moves by the family under portability [24 CFR 982.355(e)(4)].

CHAPTER 11

REEXAMINATIONS

INTRODUCTION

HASCO 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 HASCO policies concerning reexaminations are presented in three parts:

[Part I: Annual Reexaminations](#). This part discusses the process for conducting annual reexaminations.

[Part II: Interim Reexaminations](#). This part details the requirements for families to report changes in family income and composition between annual reexaminations.

[Part III: 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.

PART I: ANNUAL REEXAMINATIONS [24 CFR 982.516]

11-I.A. OVERVIEW

HASCO 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-I.B. STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 982.516(B) ; NEW HCV GB, REEXAMINATIONS]]

HUD permits HASCO to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years HASCO may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. HASCO may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, HASCO must perform third-party verification of all income sources.

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. The

determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

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, HASCO may streamline the verification of fixed income but is not required to verify non-fixed income amounts. If the family receives less than 90 percent of its income from fixed sources, HASCO may streamline the verification of fixed income and must verify non-fixed income annually.

HASCO Policy

Third-party verification of both fixed and non-fixed income will be obtained annually regardless of the percentage of family income received from fixed sources.

11-I.C. SCHEDULING ANNUAL REEXAMINATIONS

HASCO 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].

HASCO Policy

HASCO will begin the annual reexamination process approximately 120 calendar days in advance of its scheduled effective date. Generally, HASCO 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).

If the family moves to a new unit, HASCO will perform an interim reexamination.

HASCO also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

Notification of and Participation in the Annual Reexamination Process

HASCO is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of HASCO. However, HASCO should give tenants who were not provided the opportunity the option to complete Form HUD-92006 at this time [Notice PIH 2009-36].

HASCO Policy

Families generally are required to participate in an annual review administered by mail, which must be completed by the head of household, spouse, or cohead. The head of household must sign and verify the personal declaration that is included in with the annual review.

Notification of annual reexamination reviews are sent by first class mail on (or around) the 1st of each month and are due back by the 15th of the month. If the annual review

packet is not returned by the 15th, a second request for information is sent. If the family fails to return the annual review packet within 10 business days, a pre-termination meeting is scheduled. If the family fails to complete the annual review process, HASCO will begin termination proceedings in accordance with termination policies in [chapter 12](#). The annual review packet will inform the family of the information and documentation that must be submitted to HASCO. Documentation includes:

- Documentation of income and assets for all family members
- Documentation of any deductions/allowances
- Personal Declaration Form completed, verified and signed by Head of Household

An advocate, interpreter, or other assistant may assist the family in the review process.

11-I.D. CONDUCTING ANNUAL REEXAMINATIONS

As part of the annual reexamination process, families are required to provide updated information to HASCO regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

HASCO Policy

Families will be asked to send all required information (as described in the reexamination notice) with the annual reexamination packet. The required information will include a HASCO-designated reexamination form (Personal Declaration), an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, assets, expenses, and family composition.

HASCO will follow verification procedures and timelines outlined in [Chapter 7](#).

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination (See [Chapter 12](#)).

Additionally, HUD recommends that at annual reexaminations HASCO asks whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

HASCO Policy

At the annual reexamination, HASCO will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state.

If HASCO proposes to terminate assistance based on lifetime sex offender registration information, HASCO must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See [Chapter 12](#).)

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 HASCO 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:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

If adding a new family member to the unit causes overcrowding according to the housing quality standards (HQS) (see [Chapter 8](#)), HASCO must issue the family a new voucher, and the family and HASCO must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, HASCO must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

11-I.E. DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS [24 CFR 982.552(B)(5)]

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.

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. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from their parents or is considered a *vulnerable youth* in accordance with HASCO policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

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.

HASCO Policy

During the annual reexamination process, HASCO 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. If the student has been determined "independent" from their parents or is considered a *vulnerable youth* based on the policies in [Sections 3-II.E](#) and [7-II.E](#), the parents' income will not be reviewed.

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-I.D.](#)

If the student continues to be income eligible based on their own income and the income of their parents (if applicable), HASCO will process a reexamination in accordance with the policies in this chapter.

11-I.G. EFFECTIVE DATES

HASCO must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

HASCO Policy

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 calendar days in advance.

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-calendar day notice is required.

If HASCO 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 HASCO, but will always allow for the 30-calendar day notice period.

If the family causes a delay in processing the annual reexamination, the family forfeits their right to a 30-calendar day notice.

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.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If HASCO 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 HASCO.

If the family causes a delay in processing the annual reexamination, *decreases* in the family share of the 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 the family fails to provide information requested by HASCO by the date specified, and this delay prevents HASCO from completing the reexamination as scheduled.

PART II: INTERIM REEXAMINATIONS [24 CFR 982.516]

11-II.A. OVERVIEW

Family circumstances may change between annual reexaminations. HUD and HASCO policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances HASCO must process interim reexaminations to reflect those changes. HUD regulations also permit HASCO 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].

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. HASCO must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and HASCO policies describing what changes families are required to report, what changes families may choose to report, and how HASCO will process both HASCO- and family-initiated interim reexaminations.

11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION

The family is required to report all changes in family composition. HASCO must adopt policies prescribing when and under what conditions the family must report changes in income and family composition. However, due to family obligations under the program, HASCO has limited discretion in this area.

HASCO Policy

HASCO will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring HASCO Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require HASCO approval. However, the family is required to promptly notify HASCO of the addition [24 CFR 982.551(h)(2)].

HASCO Policy

The family must inform HASCO of the birth, adoption, or court-awarded custody of a child within 10 business days.

New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request HASCO 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)].

Although HASCO must verify aspects of program eligibility, when any new family member is added, the Streamlining Final Rule removed the requirement that HASCO conduct a

reexamination of income whenever a new family member is added. HASCO may state in policy that an income reexamination will be conducted.

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see [Chapter 8](#)), HASCO 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, HASCO must terminate the family's HAP contract in accordance with its terms [24 CFR 982.403].

HASCO Policy

The head of household must request HASCO approval to add a new family member, live-in aide, foster child or adult. The Landlord must also approve the addition of new adult household members. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days or 90 cumulative days within a 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by HASCO and landlord prior to the individual moving into the unit.

HASCO will not approve the addition of a new family or household member unless the individual qualifies as a family or household member and meets HASCO's eligibility criteria (see [Chapter 3](#)) and documentation requirements (see [Chapter 7](#), [Part II](#)).

HASCO will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If HASCO determines an individual qualifies as a family or household member and meets HASCO's eligibility criteria and documentation requirements, HASCO will provide written approval to the family. 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.

If HASCO determines that an individual does not qualify as a family or household member or they do not meet HASCO's eligibility criteria or documentation requirements, HASCO 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.

Departure of a Family or Household Member

Families must promptly notify HASCO if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], HASCO also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

HASCO Policy

If a household member ceases to reside in the unit, the head of household must inform HASCO in writing 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.

11-II.C. CHANGES AFFECTING INCOME OR EXPENSES

Interim reexaminations can be scheduled either because HASCO has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, HASCO may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

HASCO-Initiated Interim Reexaminations

HASCO-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by HASCO. They are not scheduled because of changes reported by the family.

HASCO Policy

HASCO will conduct interim reexaminations in each of the following instances:

- For families receiving the Earned Income Disallowance (EID), HASCO will schedule and conduct an interim reexamination each 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 prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period.)
- If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), HASCO will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.
- HASCO may conduct an interim reexamination at any time to correct an error in a previous reexamination.

Family-Initiated Interim Reexaminations

HASCO must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, 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)].

Required Reporting

HUD regulations give HASCO the freedom to determine the circumstances under which families will be required to report changes affecting income.

HASCO Policy

Families are required to report all changes in writing within 10 business days of the date the change takes effect.

HASCO will conduct interim reexaminations for families that qualify for the earned income disallowance (EID).

(Effective 8/1/2018) HASCO will conduct an interim reexamination when families experience a change in income or expenses that would increase the family share of rent only if the increase was a result of adding a new household member or if an individual in the household changed from zero income to having income of any type. Increases in income due to pay raises, benefits increasing, COLA's, or switching from one income source to another must be reported but will not result in an interim reexamination.

(Prior to 8/1/18) HASCO will conduct an interim reexamination when families experience an increase in income to recalculate the new family share of rent and new subsidy amount.

If a family reports a change that would result in a decrease in the family share of rent, HASCO will conduct an interim reexamination.

Optional Reporting

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)]. HASCO must process the request if the family reports a change that will result in a reduced family income [HCV GB].

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](#).

HASCO Policy

HASCO will require families to report all changes of income within 10 business days of the change. See [Section 11-II.D](#), subsection: effective dates.

11-II.D. PROCESSING THE INTERIM REEXAMINATION

Method of Reporting

HASCO Policy

The family must notify HASCO of changes in writing within ten business days. The change may be reported by mail, fax, email, or in person. A change form may be used but is not required.

Based on the type of change reported, HASCO 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 HASCO. This time frame may be extended for good cause with HASCO approval. HASCO will accept required documentation by mail, fax, email, or in person.

Effective Dates

HASCO must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. 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].

HASCO Policy

If the family share of the rent is to *increase*:

- The increase generally will be effective on the first of the month following 30 calendar days' notice to the family.
- 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, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in [Chapter 16](#).

If the family share of the rent is to *decrease*:

- All documents, including the Change of Circumstance form if used, must be received by the 20th of the month to be effective on the first of the following month. The change will not be processed until all facts are verified.
- If a family reports a reduction in income that occurred between April 1, 2020 and June 30, 2021, standard policy stated above will apply regarding the timing of reporting and effective date of the change unless there are extenuating circumstances approved by the Director of Tenant Based Assistance or the Executive Director. If there are extenuating circumstances, HASCO will take the following circumstances into consideration when determining the effective date of the change:
 - Type of income lost (earned or unearned)
 - When the income was lost and when the loss was reported to HASCO
 - Reason for any delayed reporting
 - Status of participant debt to landlord
 - How imminent an eviction is

PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT

11-III.A. OVERVIEW

After gathering and verifying required information for an annual or interim reexamination, HASCO 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]. 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-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES

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 HASCO's calculations.

Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.

Payment Standards [24 CFR 982.505]

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]. See [Chapter 6](#) for information on how to select the appropriate payment standard.

When HASCO changes its payment standards or the family's situation changes, new payment standards are applied at the following times:

- If HASCO'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:
 - 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.
 - If the payment standard amount has *decreased*, during the term of a HAP contract, HASCO is not required to reduce the payment standard as the HAP contract remains in effect. At the family's *second annual* reexamination, HASCO may, but is not required to, apply the decreased payment standard or may gradually implement the reduced payment standard (See [Chapter 6](#) for HASCO's policy on decreases in the payment standard).
- 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.

Subsidy Standards [24 CFR 982.505(c)(4)]

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 HASCO'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.

Utility Allowances [24 CFR 982.517(d)]

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in HASCO's utility allowance schedule [HCV GB]. [Chapter 16](#) discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, HASCO must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, HASCO must use HASCO current utility allowance schedule [HCV GB].

HASCO Policy

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-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT

HASCO 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]:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding HASCO'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](#)).

HASCO Policy

The notice of rent is sent to the owner and family. It will include the effective date and family's share of rent.

The notice will state the family has the right to request an explanation of how the assistance was calculated and if the family disagrees, they have the right to informal hearing. The notice will include the procedures for requesting an informal hearing.

11-III.D. DISCREPANCIES

During an annual or interim reexamination, HASCO may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, HASCO may discover errors made by HASCO. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in [Chapter 13](#).

CHAPTER 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which HASCO can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

[Part I: Grounds for Termination of Assistance](#). This part describes the various circumstances under which assistance under the program can be terminated by the family or by HASCO.

[Part II: Approach to Termination of Assistance](#). This part describes the policies and the process that HASCO will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that HASCO may consider in lieu of termination, the criteria HASCO will use when deciding what action to take, and the steps HASCO must take when terminating a family's assistance.

[Part III: Termination of Tenancy by the Owner](#). This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires HASCO to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits HASCO to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying HASCO.

12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of the housing assistance payment decreases. If the amount of assistance provided by HASCO is reduced to zero, the family's assistance terminates automatically 180 calendar days after the last HAP payment.

HASCO Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify HASCO of the change and request an interim reexamination before the expiration of the 180-calendar day period.

12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request that HASCO terminate housing assistance payments on behalf of the family at any time.

HASCO Policy

The request to terminate assistance should be made in writing and signed by the head of household. Before terminating the family's assistance, HASCO will follow the notice requirements in [Section 12-II.F.](#)

12-I.D. MANDATORY TERMINATION OF ASSISTANCE

HUD requires HASCO to terminate assistance in the following circumstances.

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

HASCO 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. As discussed further in [section 12-II.E](#), incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

HASCO Policy

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases HASCO will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in [section 12-II.C](#). In making its decision, HASCO will consider the factors described in [sections 12-II.D](#) and [12-II.E](#). Upon consideration of such factors, HASCO may, on a case-by-case basis, choose not to terminate assistance.

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause significant damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant and or their guests.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

HASCO must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a regular or interim reexamination. See [Chapter 7](#) for a complete discussion of consent requirements.

Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

HASCO must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by HASCO, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See [Chapter 7](#) for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]

HASCO must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and HASCO 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, HASCO 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 HASCO determined the family to be noncompliant.

HASCO Policy

HASCO will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of not more than 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

HASCO 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.

Lifetime Registered Sex Offenders [Notice PIH 2012-28]

Should HASCO discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, HASCO must immediately terminate assistance for the household member.

In this situation, HASCO must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, HASCO must terminate assistance for the household.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

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, HASCO must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and HASCO 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.

Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]

HASCO must immediately terminate program assistance for deceased single member households.

12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]

HUD requires HASCO to establish policies that permit HASCO to terminate assistance if HASCO determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- Any household member has violated the family's obligation not to engage in violent criminal activity

Use of Illegal Drugs and Alcohol Abuse

HASCO Policy

HASCO will terminate a family's assistance if 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.

HASCO will terminate assistance if 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.

Currently engaged in is defined as any use of illegal drugs during the previous three months.

HASCO will consider all credible evidence including, but not limited to, any convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

A record or records of arrest will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate assistance, HASCO will consider alternatives as described in [Section 12-II.C](#) and other factors described in [Sections 12-II.D](#) and [12-II.E](#). Upon consideration of such alternatives and factors, HASCO may, on a case-by-case basis, choose not to terminate assistance.

Drug-Related and Violent Criminal Activity [24 CFR 5.100]

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

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.

HASCO Policy

HASCO will terminate 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 as evidenced by a conviction.

In making its decision to terminate assistance, HASCO will consider alternatives as described in [Section 12-II.C](#) and other factors described in [Sections 12-II.D](#) and [12-II.E](#). Upon consideration of such alternatives and factors, HASCO may, on a case-by-case basis, choose not to terminate assistance.

Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c), 24 CFR 5.2005(c), 24 CFR 984.101(d)]

HUD permits HASCO to terminate assistance under a number of other circumstances. It is left to the discretion of HASCO whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in [section 12-II.E](#), the Violence against Women Act of 2013 explicitly prohibits HASCO 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.

Additionally, per 24 CFR 984.101(d), HASCO 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.

HASCO Policy

HASCO **will** terminate a family's assistance if:

- The family has failed to comply with any family obligations under the program. See [Exhibit 12-1](#) for a listing of family obligations and related HASCO policies.
- If any family member is receiving assistance through another federal housing program.
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- The family currently owes rent or other amounts to any PHA in connection with the Section 8 or public housing assistance under the 1937 Act.
- 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.
- The family has breached the terms of a repayment agreement entered into with HASCO.
- HUD-VASH termination reasons in [section 18-III.G](#).
- A family member has engaged in or threatened violent or abusive behavior toward HASCO personnel.

Abusive or violent behavior towards HASCO 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.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate assistance, HASCO will consider alternatives as described in [Section 12-II.C](#) and other factors described in [Sections 12-II.D](#) and [12-II.E](#). Upon consideration of such alternatives and factors, HASCO may, on a case-by-case basis, choose not to terminate assistance.

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. HASCO must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

HASCO Policy

If the family is absent from the unit for more than 180 consecutive calendar days in a 12-month period, the family's assistance will be terminated. Notice of termination will be sent in accordance with [Section 12-II.F](#).

Insufficient Funding [24 CFR 982.454]

HASCO may terminate HAP contracts if HASCO determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

HASCO Policy

HASCO will determine whether there is sufficient funding to pay for currently assisted families according to the policies in [Part VIII](#) of [Chapter 16](#). If HASCO determines there is a shortage of funding, prior to terminating any HAP contracts, HASCO will determine if any other actions can be taken to reduce program costs.

In the event that HASCO decides to stop issuing vouchers as a result of a funding shortfall, and HASCO is not assisting the required number of special purpose vouchers (NED families, HUD-Veterans Affairs Supportive Housing (VASH) families, and family unification program (FUP) families), when HASCO resumes issuing vouchers, HASCO will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, HASCO will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, HASCO will inform the local HUD field office. HASCO will terminate the minimum number needed in order to reduce HAP costs to a level within HASCO's annual budget authority.

If HASCO must terminate HAP contracts due to insufficient funding, HASCO will do so in accordance with the following criteria and instructions:

- Families who have been assisted in the HCV program the longest will be the first to be terminated, excluding families that include elderly or disabled family members. Terminations will be determined based on the date the family was first admitted to the program starting with those who have received assistance the longest. Mainstream, FUP, NED I & II and VASH Targeted Funding Vouchers will be the last to be terminated. Any households that meet the HUD Definition for Elderly or Disabled households, Homeownership, Project Based Vouchers (PBV) and Tenant Protection Vouchers (TPV) will also be the last to be terminated.
- If it is determined that implementing the voucher program will still exceed the available HAP and/or Administrative costs, HASCO may then terminate based on the date the family was admitted to the program for Homeownership, PBV, TPV, Elderly or Disabled household or those admitted under special purpose vouchers with the exception of VASH families. VASH families shall be the very last households that are terminated from the voucher program.

In the event VASH families are terminated in accordance with the policies described in this section, they will be allowed to resume participation as soon as HASCO has sufficient funding based on the date the VASH family was first admitted to the program. All other families including the remainder of the special purpose vouchers that have been terminated according to the above policies must reapply through HASCO's waiting list for Section 8 assistance.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

HASCO is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give HASCO the authority to either terminate the family's assistance or to take another action. This part discusses the various actions HASCO may choose to take when it has discretion, and outlines the criteria HASCO will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of HASCO's intent to terminate assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(A)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to enter into a new HAP contract or approve a lease, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, HASCO 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)].

HASCO Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon HASCO request.

Repayment of Family Debts

HASCO Policy

If a family owes amounts to HASCO, HASCO may require the family to repay the full amount or to enter into a repayment agreement within 60 calendar days of receiving notice from HASCO of the amount owed as a condition of continued assistance. See [Chapter 16](#) for policies on repayment agreements.

If a family owes amounts to a previous Landlord, as a condition of continued assistance, HASCO may require the family to repay the full amount or to enter into a repayment Agreement with the previous Landlord within 60 calendar days of receiving notice from the Previous Landlord of the amount owed. If the debt was incurred from damages to the unit, the Previous Landlord must present court-ordered documentation for

collection of damages to HASCO prior to HASCO requiring the family to repay the damages debt to the previous Landlord.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits HASCO 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)].

HASCO Policy

HASCO will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

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.

Use of Criminal Conviction Records after Admission [24 CFR 5.903]

The regulation at 24 CFR 5.903 governs a PHA's access to and use of criminal conviction records obtained from a "law enforcement agency" such as the National Crime Information Center (NCIC), police departments, and other law enforcement agencies that hold criminal conviction records. While the regulatory listing of permitted uses for these records includes PHA screening of applicants for admission to the HCV program, it specifically excludes the use of records for lease enforcement and eviction of HCV participants and excludes by omission a PHA's use of records to terminate assistance for participants. While a PHA has regulatory authority to use criminal conviction records for the purpose of applicant screening for admission, there is no corresponding authority to use these records to check for criminal and illegal drug activity by participants, and therefore, PHAs may not use records for this purpose. The limitations, however, do not apply to criminal conviction information searches from non-federal sources (i.e., sources other than the "law enforcement agencies" defined in 24 CFR 5.902(b)). There is no prohibition that bars a PHA from using non-federal sources to conduct criminal background checks of program participants.

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

HASCO is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

HASCO Policy

HASCO will consider the following facts and circumstances when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents' safety or property

- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in [section 12-II.E](#)) a victim of domestic violence, dating violence, sexual assault or stalking
- The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future
- Criminal convictions will be considered if it indicates a demonstrable risk to safety and/or property
- 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
- HASCO 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.
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

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

If the family includes a person with disabilities, HASCO's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

HASCO Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, HASCO will determine whether the behavior is related to the disability. If so, upon the family's request, HASCO will determine whether alternative measures are appropriate as a reasonable accommodation.

HASCO will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See [Chapter 2](#) for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING

This section describes the protections against termination of assistance that the Violence against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and HASCO

policies pertaining to notification, documentation, and confidentiality, see [section 16-IX](#) of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. (*Note: The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.*)

First, VAWA provides that HASCO 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 HASCO, 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)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or affiliated individual or other individual is the actual or threatened victim of the domestic violence, dating violence, or stalking [24 CFR 5.2005(c)(2)].

Fourth, it gives HASCO the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

Limitations on VAWA Protections [24 CFR 5.2005(d) and (e)]

VAWA does not limit the authority of HASCO to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault or stalking so long as HASCO does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(1)].

Likewise, VAWA does not limit the authority of HASCO to terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if HASCO 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 (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In

determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

In order to demonstrate an actual and imminent threat, HASCO must have objective evidence of words, gestures, actions, or other indicators. Even when a victim poses an actual and imminent threat, however, HUD regulations authorize HASCO 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)].

HASCO Policy

In determining whether a program participant who is a victim of domestic violence, dating violence, sexual assault or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, HASCO will consider the following, and any other relevant, factors:

- Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault or stalking
- Whether the threat is a physical danger beyond a speculative threat
- Whether the threat is likely to happen within an immediate time frame
- Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the participant wishes to contest HASCO'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.

Documentation of Abuse [24 CFR 5.2007]

HASCO Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault or stalking claims protection under VAWA, HASCO will request that the individual provide documentation supporting the claim in accordance with the policies in [section 16-IX.D](#) of this plan.

HASCO reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases HASCO will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives HASCO the explicit authority to “terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others” without terminating assistance to “or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant” [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if HASCO 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 HASCO 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].

If the perpetrator remains in the unit, HASCO continues to pay the owner until HASCO terminates the perpetrator from the program. HASCO must not stop paying HAP until 30 calendar days after the owner bifurcates the lease to evict the perpetrator. HASCO may pay HAP for the full month if the 30-calendar day period will end mid-month [Notice PIH 2017-08].

If the perpetrator is the only participant eligible to receive assistance, HASCO will provide any remaining participant a chance to establish eligibility for the program. If the remaining participant cannot do so, HASCO will provide them with 30 calendar days to establish eligibility for another housing program prior to termination of the HAP contract.

HASCO Policy

HASCO will terminate assistance to a family member if HASCO determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, HASCO will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to HASCO by the victim in accordance with this section and [section 16-IX.D](#). HASCO will also consider the factors in [section 12-II.D](#). Upon such consideration, HASCO may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If HASCO does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

HUD regulations require HASCO to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family’s HAP contract and lease will also terminate when the family’s assistance terminates [form HUD-

52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

HASCO Policy

Whenever a family's assistance will be terminated, HASCO will send a written notice of termination to the family and to the owner. HASCO will also send a form HUD-5382 and form HUD-5380 to the family with the termination notice. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other HASCO policies, or the circumstances surrounding the termination require.

When HASCO notifies an owner that a family's assistance will be terminated, HASCO will, if appropriate, advise the owner of their right to offer the family a separate, unassisted lease.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that HASCO sends to the family must meet the additional HUD and HASCO notice requirements discussed in [section 16-III.C](#) of this plan. VAWA 2013 expands notification requirements to require HASCO to provide notice of VAWA rights and the HUD 5382 form when HASCO terminates a household's housing benefits.

HASCO Policy

Whenever HASCO decides to terminate a family's assistance because of the family's action or failure to act, HASCO will include in its termination notice the VAWA information described in [section 16-IX.C](#) of this plan and a form HUD-5382 and form HUD-5380. HASCO will request in writing that a family member wishing to claim protection under VAWA notify HASCO within 10 business days.

Still other notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, HASCO must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in [section 12-I.D](#), the special notice requirements in [section 16-III.D](#) must be followed.

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; HASCO is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310, 24 CFR 5.2005(C), AND FORM HUD-52641-A, TENANCY ADDENDUM]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking and the victim is protected from eviction by the Violence against Women Act of 2013 (see [section 12-II.E](#)). A serious lease violation includes failure to pay rent or other amounts due under the lease. However, HASCO's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*—meaning any member of the household, a guest, or another person under the tenant's control—commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises)
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see [section 12-II.E](#)).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

If a property is subject to foreclosure, during the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will

occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. See [Section 13-II.G](#) for a discussion of PHA policies relating to units in foreclosure.

12-III.C. EVICTION [24 CFR 982.310(E) AND (F) AND FORM HUD-52641-A, TENANCY ADDENDUM]

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

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give HASCO a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give HASCO a copy of any eviction notice (see [Chapter 5](#)).

HASCO Policy

If the eviction action is finalized in court, the owner must provide HASCO with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(H), 24 CFR 982.310(H)(4)]

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;

- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See [section 12-II.E.](#))

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if HASCO has no other grounds for termination of assistance, HASCO may issue a new voucher so that the family can move with continued assistance (see [Chapter 10](#)).

EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that HASCO or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by HASCO or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

HASCO Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow HASCO to inspect the unit at reasonable times and after reasonable notice, as described in [Chapter 8](#) of this plan.
- The family must not commit any serious or repeated violation of the lease.

HASCO Policy

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify HASCO and the owner before moving out of the unit or terminating the lease.

HASCO Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to HASCO at the same time the owner is notified.

- The family must promptly give HASCO a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence. The composition of the assisted family residing in the unit must be approved by HASCO. The family must promptly notify HASCO in writing of the birth, adoption, or court-awarded custody of a child. The family must request HASCO approval to add any other family member as an occupant of the unit.

HASCO Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. HASCO will determine eligibility of the new member in accordance with the policies in [Chapter 3](#).

- The family must promptly notify HASCO in writing if any family member no longer lives in the unit.
- If HASCO has given approval, a foster child or a live-in aide may reside in the unit. HASCO has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when HASCO consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see [Chapter 3 \(Sections I.K and I.M\)](#), and [Chapter 11 \(Section II.B\)](#).
- The family must not sublease the unit, assign the lease, or transfer the unit.

HASCO Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by HASCO to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify HASCO when the family is absent from the unit.

HASCO Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written or verbal notice must be provided to HASCO within 30 calendar days of the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See [Chapter 14](#), Program Integrity for additional information).

- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See [Chapter 12](#) for HUD and HASCO policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See [Chapter 12](#) for a discussion of HUD and HASCO policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless HASCO has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

CHAPTER 13

OWNERS

INTRODUCTION

Owners play a major 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.

The chapter is organized in two parts:

[Part I: Owners in the HCV Program](#). This part discusses the role of an owner in HASCO’s HCV program and highlights key owner rights and responsibilities.

[Part II: HAP Contracts](#). This part explains provisions of the HAP contract and the relationship between HASCO and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including HASCO 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.

PART I. OWNERS IN THE HCV PROGRAM

13-I.A. OWNER RECRUITMENT AND RETENTION [HCV GB; HCV LANDLORD STRATEGY GUIDEBOOK FOR PHAS]

Recruitment

HASCO is responsible for ensuring that very low income families have access to all types and ranges of affordable housing in HASCO’s jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for HASCO to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in HASCO’s jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, HASCO must identify and recruit new owners to participate in the program.

If HASCO will be conducting outreach events, HASCO must ensure that notices and communications during outreach events are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities. HASCO must also take

reasonable steps to ensure meaningful access to programs to persons with limited English proficiency.

HASCO Policy

HASCO will conduct owner outreach to ensure that owners are familiar with the program and its advantages. HASCO will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone or in-person
- Holding owner recruitment/information meetings at least once a year
- Participating in community based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners, apartment associations, industry investor groups, and real estate brokers associations
- To the extent practical, partnering with and attending events hosted by other area agencies to deliver information about the HCV program

Outreach strategies will be monitored for effectiveness and adapted accordingly.

Retention

In addition to recruiting owners to participate in the HCV program, HASCO must also provide the kind of customer service that will encourage participating owners to remain active in the program.

HASCO Policy

All HASCO 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.

HASCO will provide owners with information that explains the program, including HUD and HASCO policies and procedures, in easy-to-understand language.

HASCO will give special attention to helping new owners succeed through activities such as:

- Providing the owner with a designated HASCO contact person.
- Coordinating inspection and leasing activities between HASCO, the owner, and the family.
- Initiating telephone contact with the owner to explain the inspection process and providing an inspection booklet and other resource materials about HUD housing quality standards.

- Providing other written information about how the program operates, including answers to frequently asked questions.
- Contacting owners via email to disseminate information.

Additional services may be undertaken on an as-needed basis, and as resources permit.

13-I.B. BASIC HCV PROGRAM REQUIREMENTS

HUD requires HASCO to assist families in their housing search by providing the family with a list of landlords or other parties known to HASCO who may be willing to lease a unit to the family, or to help the family find a unit. Although HASCO cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to HASCO 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)].

HASCO Policy

Owners that wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit will be provided a list of affordable housing listing services where they can post their available units. Applicants and Participants searching for a unit will be referred to the same listing services.

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 unassisted tenant. HASCO 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.

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. When submitted to HASCO, 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. 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.

HUD regulations stipulate requirements for the approval of an assisted tenancy.

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.

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. See [chapter 9](#) for more detail on unit eligibility policies and process.

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)]. HASCO will inspect the owner's dwelling

unit at least annually to ensure that the unit continues to meet HQS requirements. See [chapter 8](#) for a discussion of the HQS standards and policies for HQS inspections at initial lease-up and throughout the family's tenancy.

HASCO must determine that the proposed rent for 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.

At initial lease-up of a unit, if the gross rent exceeds the applicable payment standard, HASCO must ensure that the family share 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.

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. The HUD Tenancy Addendum includes the HUD requirements governing the tenancy and must be added word-for-word to the owner's lease. See [chapter 9](#) for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

HASCO and the owner must execute a Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See [chapter 9](#) for a discussion of the HUD requirements for execution of the HAP contract.

13-I.C. OWNER RESPONSIBILITIES [24 CFR 982.452]

The basic owner responsibilities in the HCV program are outlined in the regulations as follows:

- Complying with all of the owner's obligations under the housing assistance payments (HAP) contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to HASCO information required under the HAP contract
- Collecting the security deposit, the tenant rent, and any charges for unit damage by the family
- Enforcing tenant obligations under the dwelling lease
- Paying for utilities and services that are not the responsibility of the family as specified in the lease

- Allowing reasonable modifications to a dwelling unit occupied or to be occupied by a disabled person [24 CFR 100.203]
- Complying with the Violence against Women Reauthorization Act of 2013 (VAWA) when screening prospective HCV tenants or terminating the tenancy of an HCV family (see 24 CFR Part 5, Subpart L; 24 CFR 982.310(h)(4); and 24 CFR 982.452(b)(1))

13-I.D. OWNER QUALIFICATIONS

HASCO does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where HASCO may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

Owners Barred from Participation [24 CFR 982.306(a) and (b)]

HASCO must not approve the assisted tenancy if HASCO has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct HASCO 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.

Leasing to Relatives [24 CFR 982.306(d), HCV GB]

HASCO must not approve a tenancy if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. HASCO may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts in place prior to June 1998 on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

HASCO Policy

HASCO may make an exception as a reasonable accommodation for a family member with a disability based on any of the following reasons:

- When a unit that is owned by a relative is designed to meet the special needs of the person with disabilities that cannot be provided in another non-relative owned unit
- If the need for a live-in aide can be abated or diminished by allowing the relative that owns the unit to care for the person with disabilities where it does not incur costs to the public and/or tenant based assistance program

HASCO may consider other extenuating circumstances to determine the nexus between the request to rent from a relative and the requestor's disability.

A relative of the family is defined as the: parent, child, grandparent, grandchild, sister or brother of any member of the participating family.

Currently, assisted households who have been granted approval to reside in a unit owned by a relative prior to October 21, 2014 shall be grandfathered in for up to 10 years or until they move from the unit, whichever comes first.

Conflict of Interest [24 CFR 982.161; HCV GB, Form HUD-52641, Section 13]

HASCO 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:

- Any present or former member or officer of HASCO (except a participant commissioner)
- Any employee of HASCO, or any contractor, subcontractor or agent of HASCO, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

Such “covered individual” may not have 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 for one year thereafter.

Immediate family member means the spouse, parent (including a stepparent), child (including a stepchild), grandparent, grandchild, sister, or brother (including a stepsister or stepbrother) of any covered individual.

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. HASCO must submit a waiver request to the appropriate HUD Field Office for determination.

Any waiver request submitted by HASCO must include the following [HCV Guidebook pp.11-2 and 11-3]:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, HASCO, or both parties may conduct this analysis. Where appropriate, an opinion by the state’s attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;

- 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;
- If the case involves employment of a family member by HASCO or assistance under the HCV program for an eligible HASCO employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of HASCO, description of the nature of the investment, including disclosure/divestiture plans.

Where HASCO has requested a conflict of interest waiver, HASCO may not execute the HAP contract until HUD has made a decision on the waiver request.

HASCO Policy

In considering whether to request a conflict of interest waiver from HUD, HASCO will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to families, the individual circumstances of a particular family, the specific duties of individuals whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety.

Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]

HUD regulations permit HASCO to disapprove a request for tenancy for various actions and inactions of the owner.

If HASCO 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].

HASCO Policy

HASCO will refuse to approve a request for tenancy if HASCO becomes aware that any of the following are true:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
- The owner has a history or 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;
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 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:

- (i) Threatens the right to peaceful enjoyment of the premises by other residents;
- (ii) Threatens the health or safety of other residents, of employees of HASCO, or of owner employees or other persons engaged in management of the housing;
- (iii) 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
- (iv) Is drug-related criminal activity or violent criminal activity;

- The owner has not paid state or local real estate taxes, fines, or assessment.

In considering whether to disapprove owners for any of the discretionary reasons listed above, HASCO will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, HASCO may, on a case-by-case basis, choose to approve an owner.

Legal Ownership of Unit

The following represents HASCO policy on legal ownership of a dwelling unit to be assisted under the HCV program.

HASCO Policy

HASCO will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (e.g., deed of trust, proof of taxes for most recent year, Assessor's report).

13-I.E. NON-DISCRIMINATION [HAP CONTRACT – FORM HUD-52641]

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 HASCO.

The owner must cooperate with HASCO and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with HASCO.

See [Chapter 2](#) for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

PART II. HAP CONTRACTS

13-II.A. OVERVIEW

The HAP contract represents a written agreement between HASCO and the owner of the dwelling unit occupied by a HCV assisted family. The contract spells out the owner's responsibilities under the program, as well as HASCO's obligations. Under the HAP contract, HASCO agrees to make housing assistance payments to the owner on behalf of the family approved by HASCO to occupy the unit.

The HAP contract is used for all HCV tenant-based program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and use their assistance to lease the space for the manufactured home. See [chapter 15](#) for a discussion of any special housing types included in HASCO's HCV program.

When HASCO has determined that the unit meets program requirements and the tenancy is approvable, HASCO and owner must execute the HAP contract. See [chapter 9](#) for a discussion of the leasing process, including provisions for execution of the HAP contract.

13-II.B. HAP CONTRACT CONTENTS

The HAP contract format is required by HUD, specifically Housing Assistance Payment (HAP) Contract, Form HUD-52641.

The HAP contract contains three parts.

Part A of the contract includes basic contract information: the names of the tenant and all household members, the address of the contract unit, start and end dates of initial lease term, the amount of initial monthly rent to owner, the amount of initial housing assistance payment, the utilities and appliances to be supplied by owner and tenant, and the signatures of HASCO representative and owner [HCV Guidebook, pp. 11-10 and 11-11].

In general, the HAP contract cannot be modified. However, HASCO does have the discretion to add language to Part A of the HAP contract which prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants. HASCO policy on the amount of security deposit an owner may collect is found in [Chapter 9](#).

HASCO also has the discretion to add language to Part A of the HAP contract that defines when the housing assistance payment by HASCO is deemed received by the owner (e.g., upon mailing by HASCO or actual receipt by the owner).

HASCO Policy

HASCO has not adopted a policy that defines when the housing assistance payment by HASCO is deemed received by the owner. Therefore, no modifications to the HAP contract will be necessary.

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. Most of the requirements

contained in Part B of the HAP contract are outlined elsewhere in this plan. Topics addressed in Part B include:

- Lease of Contract Unit
- Maintenance, Utilities, and Other Services
- Term of HAP Contract
- Provision and Payment of Utilities and Appliances
- Rent to Owner: Reasonable Rent
- HASCO Payment to Owner
- Prohibition of Discrimination
- Owner's Breach of HAP Contract
- HASCO and HUD Access to Premises and Owner's Records
- Exclusion of Third Party Rights
- Conflict of Interest
- Assignment of the HAP Contract
- Written Notices
- Entire Agreement Interpretation

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 HASCO. The tenant has the right to enforce the Tenancy Addendum against the owner. The terms of the Tenancy Addendum prevail over any other provisions of the lease.

13-II.C. HAP CONTRACT PAYMENTS

General

During the term of the HAP contract, and subject to the provisions of the HAP contract, HASCO must make monthly HAP payments to the owner on behalf of the family at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

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. HASCO must notify the owner and the family in writing of any changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by HASCO is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant and the HAP payment is equal to the rent to owner as specified in the lease.

The family is not responsible for payment of the HAP payment, and HASCO is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the rent to owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See [chapter 9](#) for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

If the owner receives any excess HAP from HASCO, the excess amount must be returned immediately. If HASCO determines that the owner is not entitled to all or a portion of the HAP, HASCO 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.

Owner Certification of Compliance

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].

By accepting the monthly check from HASCO, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that 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; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that 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.

Late HAP Payments [24 CFR 982.451(a)(5)]

HASCO 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 late penalties if HASCO fails to make the HAP payment on time. HAP payments are considered to be paid on time if they are paid or deposited by the 5th of the month.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

HASCO is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond HASCO's control. In addition, late payment penalties are not required if HASCO intentionally delays or denies payment as a remedy to an owner breach of the HAP contract [HCV Guidebook p. 11-7].

Termination of HAP Payments [24 CFR 982.311(b)]

HASCO 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.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, HASCO 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.

HASCO Policy

The owner must inform HASCO when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit. HASCO will stop HAP payments upon notification of eviction, if requested by the owner.

The owner must inform HASCO when the owner has obtained a court judgment or other process allowing the owner to evict the tenant and provide HASCO with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, HASCO will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier, unless otherwise requested by the owner. The owner must inform HASCO of the date when the family actually moves from the unit or the family is physically evicted from the unit.

13-II.D. BREACH OF HAP CONTRACT [24 CFR 982.453]

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulation 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
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If HASCO determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.

HASCO rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, suspension of housing assistance payments, abatement or reduction of the housing assistance payment, termination of the payment or termination of the HAP contract. HASCO may also obtain additional relief by judicial order or action.

HASCO must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. HASCO must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

HASCO Policy

Before HASCO invokes a remedy against an owner, HASCO will evaluate all information and documents available to determine if the contract has been breached.

If relevant, HASCO will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, HASCO will consider all 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-II.E. HAP CONTRACT TERM AND TERMINATIONS

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.

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]:

- The owner or the family terminates the lease;
- The lease expires;
- HASCO terminates the HAP contract;
- HASCO terminates assistance for the family;
- 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.
- 180 calendar days have elapsed since HASCO made the last housing assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by HASCO;
- The Annual Contributions Contract (ACC) between HASCO and HUD expires

- HASCO elects to terminate the HAP contract.

HASCO Policy

HASCO may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];
- The unit does not meet HQS size requirements due to change in family composition [24 CFR 982.403] – see [chapter 8](#);
- The unit does not meet HQS [24 CFR 982.404] – see [chapter 8](#);
- The family breaks up [HUD Form 52641] – see [chapter 3](#);
- The owner breaches the HAP contract [24 CFR 982.453(b)] – see [Section 13-II.D](#).

If HASCO terminates the HAP contract, HASCO must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract [HCV Guidebook pg.15-4].

HASCO Policy

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which HASCO gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period and must return to HASCO any housing assistance payment received after this period.

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].

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].

13-II.F. CHANGE IN OWNERSHIP / ASSIGNMENT OF THE HAP CONTRACT [HUD-52641]

The HAP contract cannot be assigned to a new owner without the prior written consent of HASCO.

An owner under a HAP contract must notify HASCO in writing prior to a change in the legal ownership of the unit. The owner must supply all information as requested by HASCO.

Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract. The agreement between the new owner and the former owner must be in writing and in a form that HASCO finds acceptable. The new owner must provide HASCO with a copy of the executed agreement.

HASCO Policy

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in [Section 13-I.D.](#) of this chapter.

HASCO must receive a signed, written request from the existing 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.

Within 10 business days of receiving the owner's request, HASCO will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to HASCO that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed;
- 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;
- The effective date of the HAP contract assignment;
- A written agreement to comply with the terms of the HAP contract; and
- A certification that the new owner is not a prohibited relative.

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, HASCO will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, HASCO will process the leasing in accordance with the policies in [Chapter 9](#).

13-II.G. FORECLOSURE [NOTICE PIH 2010-49]

Families receiving HCV assistance are entitled to certain protections set forth under the Protecting Tenants at Foreclosure Act (PTFA). During the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. Further, the new owner assumes interest in the lease between the prior owner and the tenant and to the HAP contract.

Any state or local law that provides longer periods or other additional protections for tenants also applies.

HASCO Policy

If a property is in foreclosure, HASCO will make all reasonable efforts to determine the status of the foreclosure and ownership of the property and will continue to make

payments to the original owner until ownership legally transfers in accordance with the HAP contract.

HASCO will attempt to obtain a written acknowledgement of the assignment of the HAP contract from the successor in interest. This will include a request for owner information, including a tax identification number and payment instructions from the new owner. Even if the new owner does not acknowledge the assignment of the HAP contract in writing, the assignment is still effective by operation of law.

HASCO will inform the tenant that they must continue to pay rent in accordance with the lease, and if the new owner refuses to accept payment or cannot be identified, the tenant should pay rent into escrow. Failure to pay rent may constitute an independent ground for eviction.

In the event that HASCO is unable to make HAP payments to the new owner due to an action or inaction by the new owner that prevents such payments (e.g., rejection of payments or failure to maintain the property according to HQS), or due to an inability to identify the new owner, HASCO will either use the funds to pay:

The utilities that are the owner's responsibility after taking reasonable steps to notify the owner; except that if the unit has been or will be rendered uninhabitable due to termination or threat of termination of service, prior notice is not required. In the latter case, HASCO shall notify the owner within a reasonable time after making the utility payment; or

For the family's reasonable moving costs, including security deposit costs.

The PHA will also refer the tenant, as needed, to the local legal aid office in order to ensure adequate protection of the tenant's rights and enforcement of the successor in interest's performance under the HAP contract.

See [Section 12-III.B](#) for a discussion of foreclosure as it pertains to owner termination of tenancy.

CHAPTER 14

PROGRAM INTEGRITY

INTRODUCTION

HASCO is committed to ensuring that subsidy funds made available to HASCO are spent in accordance with HUD requirements.

This chapter covers HUD and HASCO 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 I: Preventing, Detecting, and Investigating Errors and Program Abuse](#). This part presents HASCO policies related to preventing, detecting, and investigating errors and program abuse.

[Part II: Corrective Measures and Penalties](#). This part describes the corrective measures HASCO must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE

HUD created the Enterprise Income Verification (EIV) system to provide HASCO with a powerful tool for preventing errors and detecting program abuse. HASCO is required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. HASCO is further required to:

- Provide applicants and participants with form HUD-52675, “Debts Owed to PHAs and Terminations”
- 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

[HASCO Policy](#)

To ensure that HASCO’s HCV program is administered effectively and according to the highest ethical and legal standards, HASCO will employ a variety of techniques to ensure that both errors and intentional misrepresentation are rare.

- HASCO will discuss program compliance and integrity issues during the voucher briefing sessions described in [Chapter 5](#).
- HASCO will provide each applicant and participant with a copy of “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

- At the time of the family briefing, HASCO staff will review and explain the contents of all HUD- and HASCO-required forms prior to requesting family member signatures.
- HASCO will provide each HASCO employee with the necessary training on program rules and the organization's standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or 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.

14-I.B. DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, HASCO will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

Under the Section 8 Management Assessment Program (SEMAP), HUD requires HASCO 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).

HASCO Policy

In addition to the SEMAP quality control requirements, HASCO will employ a variety of methods to detect errors and program abuse.

- HASCO routinely will use HUD and other non-HUD sources of up-front income verification. This includes The Work Number and any other private or public databases available to HASCO.
- At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.
- HASCO will compare family-reported income and expenditures to detect possible unreported income.

Independent Audits and HUD Monitoring

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of HASCO activities and notifies HASCO of errors and potential cases of program abuse.

HASCO Policy

HASCO will use the results reported in any IPA or HUD monitoring reports to identify potential program abuse as well as to assess the effectiveness of HASCO's error detection and misrepresentation prevention efforts.

Individual Reporting of Possible Errors and Program Abuse

HASCO Policy

HASCO will encourage staff, program participants, and the public to report possible program abuse.

14-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE

When HASCO Will Investigate

HASCO Policy

HASCO 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 HASCO to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

HASCO will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

Consent to Release of Information [24 CFR 982.516]

HASCO may investigate possible instances of error or abuse using all available HASCO and public records. If necessary, HASCO will require HCV families to sign consent forms for the release of additional information.

Analysis and Findings

HASCO Policy

HASCO will base its evaluation on a preponderance of the evidence collected during its investigation.

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.

For each investigation HASCO will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed HASCO, and (3) what corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether HASCO will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

HASCO Policy

In the case of family-caused errors or program abuse, HASCO will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, HASCO will take into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

HASCO Policy

HASCO will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which HASCO determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see [Chapter 16](#)).

PART II: CORRECTIVE MEASURES AND PENALTIES

14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS

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.

Corrections

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, HASCO must promptly correct the HAP, family share, and any utility reimbursement prospectively.

HASCO Policy

Increases in the family share will be implemented on the first of the month following a written 30-calendar day notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

Reimbursement

Whether the family or owner is required to reimburse HASCO or HASCO 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. Policies regarding reimbursement are discussed in the three sections that follow.

14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

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.

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 HASCO to use incorrect information provided by a third party.

Family Reimbursement to HASCO [HCV GB]

HASCO Policy

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. HASCO 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, HASCO will terminate the family's assistance in accordance with the policies in [Chapter 12](#).

HASCO Reimbursement to Family [HCV GB]

HASCO Policy

HASCO will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

Prohibited Actions

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to HASCO [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)].

HASCO Policy

Any of the following will be considered evidence of family program abuse:

- Payment to the owner in excess of amounts authorized by HASCO for rent, security deposit, and additional services
- Offering bribes or illegal gratuities to HASCO Board of Commissioners, employees, contractors, or other HASCO representatives
- 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 HASCO on the family's behalf
- Use of a false name or the use of falsified, forged, or altered documents
- Intentional misreporting of family information or circumstances (e.g. income, family composition)
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income)
- Admission of program abuse by an adult family member

HASCO may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family HASCO may, at its discretion, impose any of the following remedies.

- HASCO may require the family to repay excess subsidy amounts paid by HASCO, as described earlier in this section.
- HASCO 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).

- HASCO may deny or terminate the family's assistance following the policies set forth in [Chapter 3](#) and [Chapter 12](#) respectively.
- HASCO may refer the family for state or federal criminal prosecution as described in [section 14-II.E](#).

14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

Owner Reimbursement to HASCO

In all cases of overpayment of subsidy caused by the owner, the owner must repay to HASCO any excess subsidy received. HASCO may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, HASCO may allow the owner to pay in installments over a period of time [HCV GB].

HASCO Policy

In cases where the owner has received excess subsidy, HASCO will require the owner to repay the amount owed in accordance with the policies in [Section 16-IV.B](#).

Prohibited Owner Actions

An owner participating in the HCV program must not:

- Make any false statement to HASCO [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

HASCO Policy

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by HASCO
- Charging a security deposit other than that specified in the family's lease
- Charging the family for services that are provided to unassisted tenants at no extra charge
- Knowingly accepting housing assistance payments for any month(s) after a family has vacated the unit
- Knowingly accepting incorrect or excess housing assistance payments

- Offering bribes or illegal gratuities to HASCO Board of Commissioners, employees, contractors, or other HASCO representatives
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to HASCO
- Residing in the unit with an assisted family
- Committing sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes
- Retaliating against any applicant or participant reporting/alleging sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes

Remedies and Penalties

When HASCO determines that the owner has committed program abuse, HASCO may take any of the following actions:

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in [Chapter 16](#).
- Terminate the HAP contract (See [Chapter 13](#)).
- Bar the owner from future participation in any HASCO programs.
- Refer the case to state or federal officials for criminal prosecution as described in [section 14-II.E](#).

14-II.D. HASCO-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of HASCO staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a HASCO staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in HASCO personnel policy.

HASCO-caused incorrect subsidy determinations include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

Repayment to HASCO

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by HASCO staff [HCV GB].

HASCO Reimbursement to Family or Owner

HASCO 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 direct reimbursement must come from HASCO's administrative fee reserves [HCV GB].

HASCO Policy

HASCO may reimburse participants for an overpayment of the total family share through an increase in HAP to the landlord and a decrease in the family share until the overpayment is fully compensated. (PIH 2007-27)

Prohibited Activities

HASCO Policy

Any of the following will be considered evidence of program abuse by HASCO staff:

- Failing to comply with any HCV program requirements for personal gain
- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner
- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to HASCO
- Disclosing confidential or proprietary information to outside parties
- Gaining profit as a result of insider knowledge of HASCO activities, policies, or practices
- Misappropriating or misusing HCV funds
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program
- Committing any other corrupt or criminal act in connection with any federal housing program

14-II.E. CRIMINAL PROSECUTION

HASCO Policy

When HASCO determines that program abuse by an owner, family, or HASCO staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, HASCO will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES

HASCO may retain a portion of program fraud losses that HASCO recovers from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].

HASCO 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. 24 CFR 792.202 permits HASCO to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that HASCO incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.

If HUD incurs costs on behalf of HASCO related to the collection, these costs must be deducted from the amount retained by HASCO.

CHAPTER 15

SPECIAL HOUSING TYPES

[24 CFR 982 Subpart M; New HCV GB, *Special Housing Types*]

INTRODUCTION

HASCO may permit a family to use any of the special housing types discussed in this chapter. However, HASCO is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that HASCO must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability. HASCO 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.

HASCO Policy

HASCO will permit the following special housing types:

- Manufactured homes (including manufactured home space rental)
- Shared Housing.
- Other special housing types will only be allowed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

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]. A single unit cannot be designated as more than one type of special housing. HASCO cannot give preference to households that wish to live in any of these types of housing and cannot require households to select any of these types of housing [New HCV GB, Special Housing Types, p. 3].

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 I: Single Room Occupancy](#)

[Part II: Congregate Housing](#)

[Part III: Group Home](#)

[Part IV: Shared Housing](#)

[Part V: Cooperative Housing](#)

[Part VI: Manufactured Homes \(including manufactured home space rental\)](#)

[Part VII: Homeownership](#)

PART I: SINGLE ROOM OCCUPANCY

[24 CFR 982.602 through 982.605; Form HUD-52641;
New HCV GB, *Special Housing Types*, p. 4]

15-I.A. OVERVIEW

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person. The standard form of the HAP contract is used (form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Single room occupancy (SRO) housing."

15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

The payment standard for SRO housing is 75 percent of the zero-bedroom payment standard amount on HASCO's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

15-I.C. HOUSING QUALITY STANDARDS (HQS)

HQS requirements described in [Chapter 8](#) apply to SRO housing except that sanitary facilities, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply: .

- **Access:** Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- **Fire Safety:** All SRO facilities must have a sprinkler system that protects major spaces. "Major spaces" are defined as hallways, large common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards, the requirements discussed below apply [24 CFR 982.605].

- *Sanitary Facilities:* At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to males, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.
- *Space and Security:* An SRO unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

PART II: CONGREGATE HOUSING

[24 CFR 982.606 through 982.609; Form HUD-52641;
New HCV GB, *Special Housing Types*, p. 6]

15-II.A. OVERVIEW

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.

If approved by HASCO, a family member or live-in aide may reside with the elderly person or person with disabilities. HASCO 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.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family. The standard form of the HAP contract is used (form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Congregate housing."

15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area for the assisted family. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), HASCO must use the payment standard for a zero-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), HASCO must use the one-bedroom payment standard.

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.

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-II.C. HOUSING QUALITY STANDARDS

HQS requirements as described in [Chapter 8](#) apply to congregate housing except for the requirements stated below.

- Congregate housing must have a refrigerator of appropriate size in the private living area of each resident, a central kitchen and dining facilities located within the premises and accessible to the residents, and food service for the residents, that is not provided by the residents themselves.

- The congregate housing must contain adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.
- The housing quality standards applicable to lead-based paint do not apply unless a child under the age of 6 is expected to reside in the unit.

PART III: GROUP HOME

[24 CFR 982.610 through 982.614; Form HUD-52641;
New HCV GB, *Special Housing Types*, p. 8]

15-III.A. OVERVIEW

A group home is a state-approved (licensed, certified, or otherwise approved in writing by the state) facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than 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.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by HASCO, a live-in aide may live in the group home with a person with disabilities. HASCO 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.

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family. The standard form of the HAP contract is used (form HUD-52641). with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Group home."

15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

Unless there is a live-in aide, the family unit size (voucher size) for an assisted occupant of a group home must be zero- or one-bedroom. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the pro rata share of the payment standard for the group home size. The pro rata 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. The number of persons in the assisted household equals one assisted person plus any HASCO-approved live-in aide.

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.

The utility allowance for an assisted occupant in a group home is the pro rata share of the family unit size to the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the pro rata portion of the reasonable rent for the group home. In determining reasonable rent, HASCO

must consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

15-III.C. HOUSING QUALITY STANDARDS

The entire unit must comply with HQS requirements described in [Chapter 8](#) except for the requirements stated below.

- *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.
- *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.
- *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. Doors and windows accessible from outside the unit must be lockable.
- *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.
- *Site and Neighborhood:* Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from disturbing noises and reverberations, and other hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:
 - Dangerous walks or steps
 - Instability
 - Flooding, poor drainage
 - Septic tank back-ups
 - Sewage hazards
 - Mud slides
 - Abnormal air pollution
 - Smoke or dust
 - Excessive noise
 - Vibrations or vehicular traffic
 - Excessive accumulations of trash
 - Vermin or rodent infestation, and
 - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply unless a child under the age of 6 is expected to reside in the unit.

PART IV: SHARED HOUSING

[24 CFR 982.615 through 982.618; Form HUD-52641; Notice PIH 2021-05;
New HCV GB, *Special Housing Types*, p. 11]

15-IV.A. OVERVIEW

Families in markets with tight rental conditions or with a prevalence of single-family housing may determine a shared housing living arrangement to be a useful way to secure affordable housing.

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The unit may be a house or an apartment. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons.

Shared housing may be offered in a number of ways, including for-profit co-living (such as a boarding house, single bedroom with common living room/kitchen/dining room) run by a private company [Notice PIH 2021-05].

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.

If approved by HASCO, a live-in aide may reside with the family to care for a person with disabilities. HASCO 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.

When shared housing is offered as a housing option, HUD encourages PHAs to consider ways in which the families may be assisted in finding shared housing, including for-profit shared housing matching (such as roommates or single-family homes) and online sites that charge a fee for their matching services, or nonprofit shared housing matching services. HUD further encourages PHAs to include information about this housing possibility in the family's voucher briefing.

PHAs should be aware of potential local legal barriers to HCV participants using shared housing, which can create additional obstacles:

- Municipalities may have occupancy limits for the number of unrelated persons who may share a housing unit.
- Local zoning codes for single family housing may restrict occupancy in certain areas to households whose family members are related by blood.

PHAs should work with local jurisdictions to find solutions that encourage affordable housing and are consistent with the Fair Housing Act, Title VI, and other federal, state, and local fair housing laws. PHAs should inform HUD if they encounter barriers to shared housing that may conflict with fair housing laws.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family. The standard form of the HAP contract is used (form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Shared housing."

HASCO Policy

Other residents sharing the unit are considered roommates. They are not added to the voucher as family members and have no rights to the voucher.

See [section 3-I.B](#) for details on Family, Household, and Roommates.

15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size (voucher size) or the pro rata share of the payment standard for the shared housing unit size.

The pro rata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit.

Example: Family holds a two-bedroom voucher.

Shared housing unit size: bedrooms available to assisted family = 2

Total bedrooms in the unit: 3

2 Bedrooms for assisted family

÷ 3 Bedrooms in the unit

.667 pro-rata share

2 BR payment standard: \$1200

3 BR payment standard: \$1695
 $\$1695 \times .667 \text{ (pro-rata share)} = \1131
\$1131 is lower than the \$1200 payment standard for the 2 BR family unit size \$1131 is the payment standard used to calculate the HAP

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.

The utility allowance for an assisted family living in shared housing is the pro rata 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)
The PHA will use the 2-bedroom utility allowance of \$100.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. 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. In determining reasonable rent, HASCO may consider whether sanitary and food preparation areas are private or shared.

15-IV.C. HOUSING QUALITY STANDARDS

HASCO 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.

HQS requirements described in [Chapter 8](#) apply to shared housing except for the requirements stated below.

- *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.
- *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 (voucher size). A zero-bedroom or one-bedroom unit may not be used for shared housing.

PART V: COOPERATIVE HOUSING

[24 CFR 982.619; New HCV GB, *Special Housing Types*, p. 14]

15-V.A. OVERVIEW

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.

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.” The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. It 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.

The occupancy agreement or lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner, and the rent must be reasonable as compared to comparable unassisted units.

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used with the special housing type specified in Part A of the HAP contract, as follows: “This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Cooperative housing.”

15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the gross rent (monthly carrying charge for the unit, plus any utility allowance) minus the TTP. The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. 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-V.C. HOUSING QUALITY STANDARDS

All standard HQS requirements apply to cooperative housing units. There are no additional HQS requirements. The HASCO remedies described in 24 CFR 982.404 do not apply. Rather, if the unit and premises are not maintained in accordance with HQS, HASCO may exercise all available remedies regardless of whether the family or cooperative is responsible for the breach of HQS.

No housing assistance payment can be made unless unit meets HQS and the defect is corrected within the period as specified by HASCO and HASCO verifies correction (see [Chapter 8](#)).

In addition to regular breaches of HQS, breaches of HQS by the family include failure to perform any maintenance for which the family is responsible in accordance with the terms of the cooperative occupancy agreement [HCV GB].

PART VI: MANUFACTURED HOMES

[24 CFR 982.620 through 982.624; FR Notice 1/18/17;
New HCV GB, *Special Housing Types*, p. 15]

15-VI.A. OVERVIEW

A manufactured home is a manufactured structure, transportable in one or more parts, which is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in two different ways.

A family can choose to rent a manufactured home already installed on a space and HASCO 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.

HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses. HASCO may, but is not required to, provide assistance for such families.

15-VI.B. SPECIAL REQUIREMENTS FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE

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.

Lease and HAP Contract

There is a designated HAP Contract (form HUD-52642) and designated Tenancy Addendum (form HUD 52642-A) for this special housing type.

15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION [FR NOTICE 1/18/17]

Payment Standards

HASCO payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for HASCO's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

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.

Utility Allowance

HASCO must establish utility allowances for manufactured home space rental. 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. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

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), HASCO may pay the remainder to the family, lender, or utility company.

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 amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and
- The applicable allowance for tenant-paid utilities.

Amortization Costs

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. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. 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.

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.

Rent Reasonableness

Initially, and at least annually thereafter HASCO must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. HASCO must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP payment, the owner of the manufactured home space certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the same manufactured home park or elsewhere.

If requested by HASCO, the owner must give HASCO information on rents charged by the owner for other manufactured home spaces.

15-VI.D. HOUSING QUALITY STANDARDS

Under either type of occupancy described in [15-VI.A](#) above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in [Chapter 8](#) of this plan. In addition, the following requirement applies:

Manufactured Home Tie-Down

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. 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.

PART VII: HOMEOWNERSHIP

[24 CFR 982.625 through 982.643]

As of April 19, 2016, HASCO closed the Homeownership Program to new applicants. HASCO provides ongoing assistance to current participants in the Homeownership program.

15-VII.A. OVERVIEW [24 CFR 982.625]

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. A PHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

There are two forms of homeownership assistance described in the regulations: monthly homeownership assistance payments and single down payment assistance grants. However, HASCO 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.

HASCO has chosen not to offer homeownership assistance. However, HASCO must offer homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of HASCO to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. HASCO must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. HASCO may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where HASCO has otherwise opted not to implement a homeownership program.

HASCO 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-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]

If HASCO were to offer the homeownership option, participation by the family is optional. However, the family must meet all of the requirements listed below before the commencement of homeownership assistance. HASCO may also establish additional initial requirements as long as they are described in HASCO administrative plan.

- The family must have been admitted to the Housing Choice Voucher program.
- The family must qualify as a first-time homeowner, or may be a cooperative member.
- 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. HASCO may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not HASCO'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.

- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- 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.
- 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.
- 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, HASCO must grant an exemption from the employment requirement if HASCO determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option
- 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.
- 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).

15-VII.C. SELECTION OF FAMILIES [24 CFR 982.626]

Unless otherwise provided (under the homeownership option), HASCO may limit homeownership assistance to families or purposes defined by HASCO and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in HASCO administrative plan.

If HASCO limits the number of families that may participate in the homeownership option, HASCO must establish a system by which to select families to participate.

15-VII.D. ELIGIBLE UNITS [24 CFR 982.628]

In order for a unit to be eligible, HASCO must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD’s “eligible housing” requirements. The unit may not be any of the following:
 - A public housing or Indian housing unit;
 - A unit receiving Section 8 project-based assistance;
 - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
 - A college or other school dormitory;
 - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by HASCO and by an independent inspector designated by the family.
- The unit must meet Housing Quality Standards (see [Chapter 8](#)).
- 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.
- Families may enter into contracts of sale for units not yet under construction. However, HASCO will not commence homeownership assistance for the family for that unit until:
 1. Either the responsible entity completes the environmental review as required by 24 CFR part 58 and HUD approved the environmental certification and request for release of funds prior to commencement of construction or HUD performed an environmental review under CFR part 50 and notified HASCO in writing of environmental approval of the site prior to construction commencement; and
 2. Construction of the unit has been completed and the unit has passed the required HQS inspection and independent inspection as addressed elsewhere in this chapter.
- For HASCO-owned units all of the following conditions must be satisfied:
 - HASCO informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a HASCO-owned unit is freely selected by the family without HASCO pressure or steering;
 - The unit is not ineligible housing;
 - HASCO 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 HASCO provided financing. All of these actions must be completed in accordance with program requirements.

HASCO must not approve the unit if HASCO has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

15-VII.E. ADDITIONAL HASCO REQUIREMENTS FOR SEARCH AND PURCHASE [24 CFR 982.629]

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. HASCO 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. If the family is unable to purchase a home within the maximum time established by HASCO, HASCO may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

15-VII.F. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]

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 HASCO. HUD suggests the following topics for HASCO-required pre-assistance counseling:

- Home maintenance (including care of the grounds);
- Budgeting and money management;
- Credit counseling;
- How to negotiate the purchase price of a home;
- 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;
- How to find a home, including information about homeownership opportunities, schools, and transportation in HASCO jurisdiction;
- 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;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- 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.

HASCO may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.

HASCO may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If HASCO offers a program of ongoing counseling for

participants in the homeownership option, HASCO shall have discretion to determine whether the family is required to participate in the ongoing counseling.

If HASCO does not use a HUD-approved housing counseling agency to provide the counseling, HASCO should ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND HASCO DISAPPROVAL OF SELLER [24 CFR 982.631]

Home Inspections

HASCO may not commence monthly homeownership assistance payments for a family until HASCO has inspected the unit and has determined that the unit passes HQS.

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.

HASCO may not require the family to use an independent inspector selected by HASCO. The independent inspector may not be a HASCO employee or contractor, or other person under control of HASCO. However, HASCO may establish standards for qualification of inspectors selected by families under the homeownership option.

HASCO 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.

Contract of Sale

Before commencement of monthly homeownership assistance payments 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. The family must give HASCO a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- 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.
- A contract for the sale of a unit not yet under construction must meet all above requirements, and requirements below. Commencement of construction in violation of the below requirements voids the purchase contract.

- The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628; and
- The construction will not commence until the environmental review has been completed and the seller has received written notice from HASCO that environmental approval has been obtained. Environmental approval may be conditioned on the contracting parties' agreement to modification to the unit design or to mitigation actions.

Disapproval of a Seller

In its administrative discretion, HASCO may deny approval of a seller for the same reasons HASCO may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

15-VII.H. FINANCING [24 CFR 982.632]

HASCO 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. HASCO must establish policies describing these requirements in the administrative plan.

HASCO 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-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, HASCO may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to HASCO the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD [form HUD-52649]. In the statement, the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- 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).
- The family must supply information to HASCO or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by HASCO or HUD concerning

mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.

- The family must notify HASCO before moving out of the home.
- The family must notify HASCO if the family defaults on the mortgage used to purchase the home.
- The family must provide HASCO with information on any satisfaction or payment of the mortgage debt.
- No family member may have any ownership interest in any other residential property.
- 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-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE [24 CFR 982.634]

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:

- Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

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.

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).

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-VII.K. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES [24 CFR 982.635]

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, HASCO 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. The payment standard for a family is the greater of (i) The payment standard as determined at the commencement of homeownership assistance for occupancy of the home, or (ii) The payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

HASCO must adopt policies for determining the amount of homeownership expenses to be allowed by HASCO in accordance with HUD requirements.

Homeownership expenses (not including cooperatives) must include amounts allowed by HASCO to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- HASCO allowance for maintenance expenses;
- HASCO allowance for costs of major repairs and replacements;
- HASCO utility allowance for the home;
- 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 HASCO 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;
- 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)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

HASCO does not have the discretion to exclude any of the listed homeownership expenses or to add any additional items.

Homeownership expenses for a cooperative member include amounts allowed by HASCO to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- HASCO allowance for maintenance expenses;
- HASCO allowance for costs of major repairs and replacements;
- HASCO utility allowance for the home; and
- 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 HASCO 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.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

HASCO Policy

HASCO will allow the following homeownership expenses:

- Monthly homeownership payment. This includes principal and interest on initial mortgage debt, taxes and insurance, and any mortgage insurance premium, if applicable.
- Utility allowance. HASCO's utility allowance for the unit, based on the current HCV utility allowance schedule.
- Septic repair/replacement allowance. For units with a septic tank, a monthly allowance of \$10.
- Monthly maintenance allowance. The monthly maintenance allowance will be \$25.
- Monthly principal and interest on debt for improvements. Principal and interest for major home repair, replacements, or improvements, if applicable.
- Operating expenses or maintenance fees. Assessed by the homeowner association, if applicable.

HASCO may pay the homeownership assistance payments directly to the family, or at HASCO's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, HASCO must pay the excess directly to the family.

15-VII.L. PORTABILITY [24 CFR 982.636, 982.637, 982.353(B) AND (C), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and HASCO policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. 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 HASCO.

15-VII.M. MOVING WITH CONTINUED ASSISTANCE [24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant-based assistance with an HCV for rental assistance.

Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home. However, 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 (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move), such family or family member may be assisted with continued tenant-based assistance even if they own any title or other interest in the prior home.

HASCO may deny permission to move to a new unit with continued voucher assistance:

- If HASCO has insufficient funding to provide continued assistance.
- In accordance with 24 CFR 982.638, regarding denial or termination of assistance.
- In accordance with HASCO's policy regarding number of moves within a 12-month period.

HASCO must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- 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-VII.N. DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]

At any time, HASCO 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).

HASCO 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.

Homeownership assistance for a family automatically terminates 180 calendar days after the last homeownership assistance payment on behalf of the family. However, HASCO may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

HASCO 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.

HASCO Policy

HASCO will terminate a family's homeownership assistance if the family violates any of the homeowner obligations listed in [Section 1](#), as well as for any of the reasons listed in Section 2 of form HUD-52649, Statement of Homeowner Obligations Housing Choice Homeownership Voucher Program.

In making its decision to terminate homeownership assistance, HASCO will consider alternatives as described in [Section 12-II.C](#) and other factors described in [Section 12-II.D](#). Upon consideration of such alternatives and factors, HASCO may, on a case-by-case basis, choose not to terminate assistance.

Termination notices will be sent in accordance with the requirements and policies set forth in [Section 12-II.F](#).

CHAPTER 16

PROGRAM ADMINISTRATION

INTRODUCTION

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 I: Administrative Fee Reserve](#). This part describes HASCO's policies with regard to oversight of expenditures from its administrative fee reserve.

[Part II: 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 III: Informal Reviews and Hearings](#). This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

[Part IV: Owner or Family Debts to HASCO](#). This part describes policies for recovery of monies that HASCO has overpaid on behalf of families, or to owners, and describes the circumstances under which HASCO 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 V: Section 8 Management Assessment Program \(SEMAP\)](#). This part describes what the SEMAP scores represent, how they are established, and how those scores affect HASCO.

[Part VI: 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 HASCO will follow.

[Part VII: Reporting and Record Keeping for Children with Elevated Blood Lead Level](#). This part describes HASCO'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 VIII: Determination of Insufficient Funding](#). This part describes HASCO'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 IX: 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.

PART I: ADMINISTRATIVE FEE RESERVE [24 CFR 982.155]

HASCO will maintain administrative fee reserves, or unrestricted net position (UNP) for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a HASCO fiscal year. HUD appropriations acts beginning with FFY 2004 have specified that administrative fee funding may be used only for activities related to the provision of HCV assistance, including related development activities. Notice PIH 2012-9 cites two examples of related development activities: unit modification for accessibility purposes and development of project-based voucher units. The notice makes clear that other activities may also qualify as related development activities. Administrative fees that remain in the UNP account from funding provided prior to 2004 may be used for “other housing purposes permitted by state and local law,” in accordance with 24 CFR 982.155(b)(1).

In addition, as specified in Notice PIH 2022-18, HASCO 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. HASCO is also permitted to use UNP for these expenses [Notice PIH 2022-18].

If HASCO has not adequately administered its HCV program, HUD may prohibit use of funds in the UNP Account and may direct HASCO to use funds in that account to improve administration of the program, for HCV HAP expenses, or to reimburse ineligible expenses in accordance with the regulation at 24 CFR 982.155(b)(3).

HUD requires HASCO Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the UNP account without specific approval.

HASCO Policy

Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$10,000 per occurrence without the prior approval of HASCO’s Board of Commissioners.

PART II: SETTING PROGRAM STANDARDS AND SCHEDULES

16-II.A. OVERVIEW

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 HASCO to adapt the program to local conditions. This part discusses how HASCO 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:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in [Chapter 6](#)); and
- *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](#)).

HASCO Policy

The most current payment standard and utility allowance schedules are available for review on HASCO's website and by request.

HASCO will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

Establishing and updating HASCO passbook rate, which is used to calculate imputed income from assets, is covered in [Chapter 6](#) (see [Section 6-I.G.](#)).

16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB]

The payment standard sets the maximum subsidy payment a family can receive from HASCO each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

HASCO must establish a payment standard schedule that establishes payment standard amounts for each FMR area within HASCO's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, HASCO 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. Unless HUD grants an exception, HASCO 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.

Updating Payment Standards

When HUD updates its FMRs, HASCO must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require HASCO to make further adjustments if it determines that rent burdens for assisted families in HASCO's jurisdiction are unacceptably high [24 CFR 982.503(g)].

HASCO Policy

HASCO will review the appropriateness of the payment standards on an annual basis when the new FMR is published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the “basic range”, HASCO will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

- *Funding Availability:* HASCO 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. HASCO will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.
- *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, HASCO will consider increasing the payment standard. In evaluating rent burdens, HASCO will not include families renting a larger unit than their family unit size.
- *Quality of Units Selected:* HASCO may 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 mid-range of the market.
- *Changes in Rent to Owner:* HASCO 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.
- *Unit Availability:* HASCO may review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.
- *Lease-up Time and Success Rate:* HASCO may consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Effective dates of changes to payment standard amounts will be determined at time of update. HASCO will always ensure the payment standards will be within the basic range.

If the payment standard decreases, HASCO will not use the decreased payment standard for two years unless:

- The family re-houses
- The family is a new initial
- The family experiences a change in the voucher size

Participants will be provided at least one-year notice of decrease in payment standard.

Exception Payment Standards [24 CFR 982.503(c)(5), Notice PIH 2018-01, FR Notice 9/27/21]

A non-SAFMR PHA may establish an exception payment standard for a zip code area of up to and including 110 percent of the SAFMR determined by HUD for that zip code area. Regardless of the level of the exception payment standard compared to the metropolitan area FMRs (MAFMRs), the PHA must send an email to SAFMRs@hud.gov to notify HUD that it has adopted an exception payment standard based on the SAFMR. A PHA that adopts an exception payment standard pursuant to this authority must apply it to the entire ZIP code area, for both its HCV, and if applicable, its PBV program. For the PBV program, this means that the rent to owner may not exceed the new exception payment standard amount, provided the rent is still reasonable. A PHA that adopts an exception payment standard area must revise its briefing materials to make families aware of the exception payment standard and the area that it covers.

In addition, HUD allows PHAs to establish a HUD-Veterans Affairs Supportive Housing (HUD-VASH) exception payment standard. PHAs may go up to but no higher than 120 percent of the FMR or SAFMR specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD (See [Section 18-III.E.](#)).

HASCO Policy

HASCO is not adopting exception payment standards based on a SAFMR or VASH.

Voluntary Use of Small Area FMRs [24 CFR 982.503, Notice PIH 2018-01]

PHAs that administer vouchers in a metropolitan area where the adoption of SAFMRs is not required may request approval from HUD to voluntarily adopt SAFMRs. SAFMRs may be voluntarily adopted for one or more zip code areas.

HASCO Policy

HASCO has not voluntarily adopted the use of SAFMRs.

Unit-by-Unit Exceptions [24 CFR 982.503(b), 24 CFR 982.505(d), Notice PIH 2010-26, PIH Notice 2016-05]

Unit-by-unit exceptions to HASCO'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 HASCO's payment standard schedule.

When needed as a reasonable accommodation, HASCO 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)]. HASCO 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.

HASCO Policy

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 document the need for the exception. In order to approve an exception, or request an exception from HUD, HASCO must determine that:

- There is a shortage of affordable units that would be appropriate for the family;
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

HASCO will maintain the following documentation on file:

- Rent reasonableness determination
- Family's requested lease approval for the unit and request for the exception payment standard as a reasonable accommodation
- Documentation that the unit has features that meet the needs of a family member with disabilities

"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]

If a substantial percentage of families have difficulty finding a suitable unit, HASCO may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows HASCO 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, HASCO must demonstrate that during the most recent 6-month period for which information is available:

- Fewer than 75 percent of families who were issued vouchers became participants;
- HASCO had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
- HASCO had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 calendar days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, HASCO may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of HASCO's jurisdiction within the FMR area.

Decreases in the Payment Standard below the Basic Range [24 CFR 982.503(d)]

HASCO must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. 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-II.C. UTILITY ALLOWANCES [24 CFR 982.517]

A HASCO-established utility allowance schedule is used in determining family share and HASCO subsidy. HASCO must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

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, HASCO must use normal patterns of consumption for the community as a whole, and current utility rates.

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.

In the utility allowance schedule, HASCO must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

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 HASCO about establishing utility allowance schedules.

Air Conditioning

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.

HASCO Policy

HASCO has not included an allowance for air-conditioning in its schedule.

Reasonable Accommodation

HCV program regulations require HASCO to approve a utility allowance amount higher than shown on HASCO'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, HASCO will approve an allowance for air-conditioning, even if HASCO 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).

Utility Allowance Revisions

HASCO 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.

HASCO must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

PART III: INFORMAL REVIEWS AND HEARINGS

16-III.A. OVERVIEW

Both applicants and participants have the right to disagree with, and appeal, certain decisions of HASCO that may adversely affect them. HASCO decisions that may be appealed by applicants and participants are discussed in this section.

The process for applicant appeals of HASCO decisions is called the “informal review.” For participants (or applicants denied admission because of citizenship issues), the appeal process is called an “informal hearing.” HASCO is required to include informal review procedures for applicants and informal hearing procedures for participants in their administrative plans [24 CFR 982.54(d)(12) and (13)].

16-III.B. INFORMAL REVIEWS

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. 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].

Decisions Subject to Informal Review [24 CFR 982.554(a) and (c)]

HASCO 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)]:

- Denying listing on HASCO’s waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by HASCO
- General policy issues or class grievances
- A determination of the family unit size under HASCO subsidy standards
- A HASCO determination not to approve an extension of a voucher term
- A HASCO determination not to grant approval of the tenancy
- A HASCO determination that the unit is not in compliance with the HQS
- A HASCO determination that the unit is not in accordance with the HQS due to family size or composition

HASCO Policy

HASCO will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes: denying listing on HASCO's waiting list; denying issuance of a voucher or participation in the programs; and refusing to process or provide assistance under portability procedures.

Notice to the Applicant [24 CFR 982.554(a)]

HASCO must give an applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for HASCO's decision, and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

Scheduling an Informal Review

HASCO Policy

A request for an informal review must be made in writing and delivered to HASCO by mail, fax, email, or in person, before the close of the business day, no later than 10 business days from the date of HASCO's denial of assistance.

HASCO must schedule and send written notice of the informal review within 10 business days of the family's request.

If the informal review will be conducted remotely, at the time HASCO notifies the family of the informal review, the family will be informed:

- Regarding the processes to conduct a remote informal review;
- That, if needed, HASCO will provide technical assistance prior to and during the informal review; and
- That if the family or any individual witness has any technological, resource, or accessibility barriers preventing them from fully accessing the remote informal review, the family may inform HASCO and HASCO will assist the family in either resolving the issues or allow the family to participate in an in-person informal review, as appropriate.

Informal Review Procedures [24 CFR 982.554(b)]

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.

The applicant must be provided an opportunity to present written or oral objections to the decision of HASCO.

HASCO Policy

The family may use an attorney or other representative to assist them at their own expense.

The review may be conducted by phone if acceptable to both parties.

Remote Informal Reviews [Notice PIH 2020-32]

There is no requirement that informal reviews be conducted in-person and, as such, HUD allows PHAs to conduct all or a portion of their informal review remotely either over the phone, via video conferencing, or through other virtual platforms. If HASCO chooses to conduct remote informal reviews, applicants may still request an in-person informal review, as applicable.

HASCO Policy

Informal reviews will be conducted remotely unless otherwise requested by the applicant. HASCO has the sole discretion to require that informal reviews be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, HASCO will conduct an informal review remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have child care or transportation that would enable them to attend the informal review, or if the applicant believes an in-person informal review would create an undue health risk. HASCO will consider other reasonable requests for a remote informal review on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and Individuals with LEP

As with in-person informal reviews, the platform for conducting remote informal reviews must be accessible to persons with disabilities and the informal review must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. HASCO may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

HASCO is required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal review process. See [Chapter 2](#) for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal review is available that appropriately accommodates an individual's disability, HASCO may not hold against the individual their inability to participate in the remote informal review, and HASCO should consider whether postponing the remote informal review to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal reviews, including the use of interpretation services and document translation. See [Chapter 2](#) for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal reviews.

Conducting Remote Informal Reviews

HASCO must ensure that the lack of technology or inability to use technology for remote informal reviews does not pose a disadvantage to families that may not be apparent to HASCO. HASCO should determine through a survey or other means if these barriers exist prior to conducting the remote informal review and, if the family does not have the proper technology to fully participate, either postpone the informal review or provide an alternative means of access.

As with in-person informal reviews, HASCO must provide all materials presented, whether paper or electronic, to the family prior to the remote informal review. The family must also be provided with an accessible means by which to transmit their own evidence.

HASCO must ensure that the applicant has the right to hear and be heard. All HASCO policies and processes for remote informal reviews must be conducted in accordance with due process requirements and be in compliance with HUD regulations at 24 CFR 982.554 and guidance specified in Notice PIH 2020-32.

HASCO Policy

HASCO will conduct remote informal reviews via a video conferencing platform, when available. If, after attempting to resolve any barriers, applicants are unable to adequately access the video conferencing platform at any point, or upon applicant request, the informal review will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in at any point, the remote informal review will be postponed, and an in-person alternative will be provided promptly within a reasonable time.

At least five business days prior to scheduling the remote review, HASCO will provide the family with login information and/or conferencing call-in information and an electronic and/or physical copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify HASCO of any known barriers. HASCO will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

If the informal review is to be conducted remotely, HASCO will require the family to provide any documents directly relevant to the informal review at least 24 hours before the scheduled review by mail, fax, email, or in person. HASCO will scan and email copies of these documents to the HASCO representative the same day.

Documents will be shared electronically whenever possible.

HASCO will follow up the email with a phone call and/or email to the applicant at least one business day prior to the remote informal review to ensure that the applicant received all information and is comfortable accessing the video conferencing or call-in platform.

HASCO will ensure that all electronic information stored or transmitted with respect to the informal review is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

Informal Review Decision [24 CFR 982.554(b)]

HASCO must notify the applicant of HASCO's final decision, including a brief statement of the reasons for the final decision.

HASCO Policy

In rendering a decision, HASCO will evaluate the following matters:

- Whether or not the grounds for denial were stated factually in the notice to the family.
- The validity of the grounds for denial of assistance will be based on the regulations or Administrative Plan. If the grounds for denial are not specified in the regulations or the Administrative Plan, then the decision to deny assistance will be overturned.
- The validity of the evidence. HASCO will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, HASCO will uphold the decision to deny assistance.
- If the facts prove the grounds for denial, and the denial is discretionary, HASCO will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

HASCO will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be sent with 10 business days of the informal review, to the applicant and their representative.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS [24 CFR 982.555]

HASCO must offer an informal hearing for certain HASCO determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to HASCO's HCV program and is currently assisted in the program. The purpose

of the informal hearing is to consider whether HASCO's decisions related to the family's circumstances are in accordance with the law, HUD regulations and HASCO policies.

HASCO 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. Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Decisions Subject to Informal Hearing

Circumstances for which HASCO must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from HASCO's utility allowance schedule
- A determination of the family unit size under HASCO's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under HASCO policy and HUD rules
- 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)]

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by HASCO
- General policy issues or class grievances
- Establishment of HASCO schedule of utility allowances for families in the program
- A HASCO determination not to approve an extension of a voucher term
- A HASCO determination not to approve a unit or tenancy
- A HASCO determination that a unit selected by the applicant is not in compliance with the HQS
- A HASCO determination that the unit is not in accordance with HQS because of family size

- A determination by HASCO to exercise or not to exercise any right or remedy against an owner under a HAP contract

HASCO Policy

HASCO will only offer participants the opportunity for an informal hearing when required to by the regulations (see [Chapter 2](#)).

Remote Informal Hearings [Notice PIH 2020-32]

There is no requirement that informal hearings be conducted in-person, and as such, HUD allows PHAs to conduct all or a portion of their informal hearings remotely either over the phone, via video conferencing, or through other virtual platforms. If HASCO chooses to conduct remote informal hearings, applicants may still request an in-person informal hearing, as applicable.

HASCO Policy

Informal Hearings will be conducted remotely unless otherwise requested by the participant. HASCO has the sole discretion to require that informal hearings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, HASCO will conduct an informal hearing remotely upon request as a reasonable accommodation for a person with a disability, if a participant does not have child care or transportation that would enable them to attend the informal hearing, or if the participant believes an in-person hearing would create an undue health risk. HASCO will consider other reasonable requests for a remote informal hearing on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and Individuals with LEP

As with in-person informal hearings, the platform for conducting remote informal hearings must be accessible to persons with disabilities and the informal hearings must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. HASCO may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

HASCO is required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal hearing process. See Chapter 2 for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal hearing is available that appropriately accommodates an individual's disability, HASCO may not hold against the individual their inability to participate in the remote informal hearing, and HASCO should consider whether postponing the remote hearing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal hearings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal hearings.

Conducting Informal Hearings Remotely

HASCO must ensure that the lack of technology or inability to use technology for remote informal hearings does not pose a disadvantage to families that may not be apparent to HASCO. HASCO should determine through a survey or other means if these barriers exist prior to conducting the remote informal hearing and, if the family does not have the proper technology to fully participate, either postpone the informal hearing or provide an alternative means of access.

As with in-person informal hearings, HASCO must provide all materials presented, whether paper or electronic, to the family prior to the remote informal hearing. The family must also be provided with an accessible means by which to transmit their own evidence.

HASCO's essential responsibility is to ensure informal hearings meet the requirements of due process and comply with HUD regulations. Therefore, all HASCO policies and processes for remote informal hearings will be conducted in accordance with due process requirements, and will be in compliance with HUD regulations at 24 CFR 982.555 and the guidance for conducting remote hearings specified in Notice PIH 2020-32.

HASCO Policy

HASCO will conduct remote informal hearings via a video conferencing platform, when available. If, after attempting to resolve any barriers, participants are unable to adequately access the video conferencing platform at any point, or upon request, the informal hearing will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in at any point, the remote informal hearing will be postponed, and an in-person alternative will be provided promptly within a reasonable time.

At least five business days prior to the scheduled remote hearing, HASCO will provide the family with copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify HASCO of any known barriers. HASCO will resolve any barriers

using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

HASCO will follow up with a phone call and/or email to the family at least one business day prior to the remote informal hearing to provide login information and/or conference call-in information and to ensure that the family received all information and is comfortable accessing the video conferencing or call-in platform.

HASCO will ensure that all electronic information stored or transmitted with respect to the informal hearing is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

Informal Hearing Procedures

Notice to the Family [24 CFR 982.555(c)]

When HASCO makes a decision that is subject to informal hearing procedures, HASCO must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

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, HASCO 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.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to HASCO's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

HASCO Policy

In cases where HASCO makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

- The proposed action or decision of HASCO.
- A brief statement of the reasons for the decision, including the regulatory reference.
- The date the proposed action will take place.
- A statement of the family's right to an explanation of the basis for HASCO's decision.
- A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.
- A deadline for the family to request the informal hearing.
- To whom the hearing request should be addressed.
- A copy of HASCO's hearing procedures.

- The protections and rights provided by the Violence Against Women Act.
- That the family may request a remote informal hearing.

Scheduling an Informal Hearing [24 CFR 982.555(d)]

When an informal hearing is required, HASCO must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

HASCO Policy

A request for an informal hearing must be made in writing and delivered to HASCO by mail, fax, email, or in person before the close of the business day, no later than 10 business days from the date of HASCO's decision or notice to terminate assistance.

HASCO must schedule and send written notice of the informal hearing to the family within 10 business days of the family's request.

If the hearing will be conducted remotely, at the time the notice is sent to the family, the family will be notified:

- Regarding the processes involved in a remote informal hearing;
- That HASCO will provide technical assistance prior to and during the informal hearing, if needed; and
- That if the family or any individual witness has any technological, resource, or accessibility barriers, the family may inform HASCO and HASCO will assist the family in either resolving the issue or allow the family to participate in an in-person hearing, as appropriate.

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. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, HASCO may request documentation of the "good cause" prior to rescheduling the hearing.

If the family does not appear within 20 minutes of the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact HASCO within 24 hours of the scheduled hearing date, excluding weekends and holidays. HASCO 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. Failure of the family to appear for the informal hearing within 20 minutes of the scheduled time is considered to be a missed hearing. If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, HASCO's decision will stand.

Pre-Hearing Right to Discovery [24 CFR 982.555(e)]

Participants and HASCO are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any HASCO documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If HASCO does not make the document available for examination on request of the family, HASCO may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

HASCO Policy

The family has the right to examine any evidence that HASCO plans to use in the informal hearing prior to the hearing date.

For in-person informal hearings, the family may request this opportunity by contacting the assigned Housing Specialist any time before the end of business on the business day before the scheduled hearing (for example, if the hearing is scheduled for a Monday, the documentation must be requested before the end of business on Friday) .

The family may view the evidence as scheduled with the Housing Specialist no later than the morning of the day of the hearing and may be provided copies. Failure of the Housing Specialist to allow the family to view the evidence may result in exclusion of the evidence from the informal hearing or in a continuance of the hearing date.

If the informal hearing will be conducted remotely, HASCO will compile a hearing packet, consisting of all documents HASCO intends to produce at the informal hearing. HASCO will send copies of the hearing packet to the family, the family's representatives, if any, and the hearing officer at least five days before the scheduled remote informal hearing. The original hearing packet will be in the possession of the HASCO representative and retained by HASCO.

Documents will be shared electronically whenever possible.

HASCO hearing procedures may provide that HASCO must be given the opportunity to examine any family documents that are directly relevant to the hearing prior to the hearing. HASCO must be allowed to copy any such document at HASCO's expense. If the family does not make the document available for examination on request of HASCO, the family may not rely on the document at the hearing.

HASCO Policy

For in-person informal hearings, HASCO will not require pre-hearing discovery by HASCO of family documents directly relevant to the hearing.

If the informal hearing is to be conducted remotely, HASCO will require the family to provide any documents directly relevant to the informal hearing at least 2 business days before the scheduled hearing by mail, fax, email, or in person. HASCO will scan and email copies of these documents to the hearing officer and the HASCO representative.

Documents will be shared electronically whenever possible.

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.

HASCO Policy

The family must notify HASCO two (2) business days in advance of the hearing if the family intends to be represented by counsel or legal advocate at the hearing.

Informal Hearing Officer [24 CFR 982.555(e)(4)]

Informal hearings will be conducted by a person or persons approved by HASCO, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

HASCO Policy

The Hearing Officer shall be appointed by HASCO. The following persons may be appointed as Hearing Officers:

- HASCO staff at a Salary Grade 5 or above so long as the staff person neither made the decision being appealed nor is a subordinate of the person who made the decision.
- In its discretion, HASCO may retain an outside attorney to act as Hearing Officer.

Attendance at the Informal Hearing

HASCO Policy

Hearings may be attended by a Hearing Officer and the following applicable persons:

- A HASCO representative(s) and any witnesses for HASCO
- The participant and any witnesses for the participant
- The participant's counsel or other representative
- Any other person approved by HASCO as a reasonable accommodation for a person with a disability or needed as an interpreter for a person of limited English proficiency

Conduct at Hearings

The person who conducts the hearing may regulate the conduct of the hearing in accordance with HASCO's hearing procedures [24 CFR 982.555(4)(ii)].

HASCO Policy

The Hearing Officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise

inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

The Housing Specialist shall present its case in support of HASCO's decision first. The family shall have the opportunity to question any witnesses and make objections to any documents or other evidence presented by the Housing Specialist.

The family shall present its case after the Housing Specialist has finished their presentation. The family may call witnesses and present documents and other evidence relevant to the decision being challenged. The Housing Specialist shall have the opportunity to question witnesses and object to any documents or other evidence presented by the family.

The Hearing Officer shall rule on any objections but the rules of evidence shall not be strictly applied. The Hearing Officer shall consider all relevant evidence, unless excluded by the Hearing Officer, and give it the appropriate weight.

The Hearing Officer may ask for additional information or clarification from either party on any issue for the Hearing Officer's determination, and may allow rebuttal. The Hearing Officer may also continue the hearing to allow additional information to be presented.

HASCO will not provide a transcript of the hearing. The family can create an audio recording of the hearing on their own device as long as all parties present at the hearing consent to being recorded. No video recording will be allowed at the hearing.

Evidence [24 CFR 982.555(e)(5)]

HASCO and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

HASCO Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

- *Oral evidence*: the testimony of witnesses.
- *Documentary evidence*: a writing which is relevant to the case, for example, a letter written to HASCO. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.
- *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.
- *Real evidence*: A tangible item relating directly to the case.

Hearsay Evidence is not based on a witness' personal knowledge but assists the hearing officer in making a finding of fact. HASCO generated reports and communications are not considered hearsay for the purpose of informal hearings.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

Procedures for Rehearing or Further Hearing

HASCO Policy

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order 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 HASCO will take effect and another hearing will not be granted.

Failure of the family to appear for a scheduled informal hearing without good cause will result in the dismissal of the family's appeal and it will not be rescheduled.

"Good cause" means an unavoidable conflict which seriously affects the health, safety or welfare of the family. If the family did not request a change in hearing dates in accordance with the requirements of this chapter, "good cause" also requires a showing that the family's failure to request such a change was reasonable.

The Hearing Officer shall determine whether there was good cause for the family's failure to appear for a scheduled informal hearing.

If the Hearing Officer finds there was good cause for the family's failure to appear for the informal hearing, the hearing date will be rescheduled.

If the Hearing Officer finds that there was not good cause, another hearing will not take place and the challenged decision will take effect.

Hearing Officer's Decision [24 CFR 982.555(e)(6)]

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing.

HASCO Policy

In rendering a decision, the hearing officer will consider the following matters:

- *HASCO Notice to the Family*: The hearing officer will determine if the reasons for HASCO's decision are factually stated in the Notice.
- *Discovery*: The hearing officer will determine if HASCO and the family were given the opportunity to examine any relevant documents in accordance with HASCO policy.
- *HASCO Evidence to Support HASCO Decision*: The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support HASCO's conclusion.

- *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 HASCO policies. If the grounds for termination are not specified in the regulations or in compliance with HASCO policies, then the decision of HASCO will be overturned.

The hearing officer will issue a written decision to the family and HASCO no later than 10 business days after the hearing. The report will contain the following information:

- Hearing information:
 - Name of the participant;
 - Date, time and place of the hearing;
 - Name of the hearing officer;
 - Name of HASCO representative; and
 - Name of family representative (if any).
- *Background:* A brief, impartial statement of the reason for the hearing.
- *Summary of the Evidence:* The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of their testimony and that are admitted into evidence.
- *Findings of Fact:* The hearing officer will include all findings of fact, 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.
- *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 HASCO's decision.
- *Order:* The hearing report will include a statement of whether HASCO's decision is upheld or overturned. If it is overturned, the hearing officer will instruct HASCO to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, the hearing officer will instruct HASCO to restore the participant's program status.
- The written decision shall provide that it is the final decision of the Housing Authority and any further appeal would be to court.

Issuance of Decision [24 CFR 982.555(e)(6)]

A copy of the hearing must be furnished promptly to the family.

HASCO Policy

The participant will be mailed the original “Notice of Hearing Decision”. A copy of the “Notice of Hearing Decision” and proof of mailing will be maintained in HASCO’s file.

Effect of Final Decision [24 CFR 982.555(f)]

HASCO is not bound by the decision of the hearing officer for matters in which HASCO 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.

If HASCO determines it is not bound by the hearing officer’s decision in accordance with HUD regulations, HASCO must promptly notify the family of the determination and the reason for the determination.

HASCO Policy

The Executive Director has the authority to determine that HASCO is not bound by the decision of the hearing officer because HASCO was not required to provide a hearing, the decision exceeded the authority of the hearing officer, the decision conflicted with or contradicted HUD regulations, requirements, or the decision was otherwise contrary to federal, state, or local laws.

In such a case, HASCO will mail a “Notice of Final Decision” to HASCO and the participant on the same day. The “Notice of Final Decision” will be sent by first-class mail. A copy of this notice will be maintained in HASCO’s file.

16-III.D. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]

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.

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 HASCO’s hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or HASCO informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

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:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- 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].
- 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.
- That the family has a right to request an informal hearing with HASCO either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- 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.

USCIS Appeal Process [24 CFR 5.514(e)]

When HASCO receives notification that the USCIS secondary verification failed to confirm eligible immigration status, HASCO must notify the family of the results of the USCIS verification. The family will have 30 calendar 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. The family must provide HASCO with a copy of the written request for appeal and the proof of mailing.

HASCO Policy

HASCO will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.

The family must provide HASCO with a copy of the written request for appeal and proof of mailing within 30 calendar days of sending the request to the USCIS. The family may also request an informal hearing with HASCO in lieu or subsequent to the USCIS appeal.

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.

The USCIS will notify the family, with a copy to HASCO, of its decision. When the USCIS notifies HASCO of the decision, HASCO must notify the family of its right to request an informal hearing.

HASCO Policy

HASCO 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.

Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that HASCO provide a hearing. The request for a hearing must be made either within 30 calendar days of receipt of HASCO's notice of denial, or within 30 calendar days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

HASCO 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-III.C.](#) for a listing of positions that serve as informal hearing officers.

Evidence

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 HASCO 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.

HASCO Policy

The family may view the evidence as scheduled with the Housing Specialist no later than the morning of the day of the hearing and copies may be provided at the time.

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.

The family must also be provided the opportunity to refute evidence relied upon by HASCO, and to confront and cross-examine all witnesses on whose testimony or information HASCO relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to request an interpreter. Upon request, HASCO will provide competent interpretation services, free of charge.

HASCO Policy

Upon the family's request, interpretive services will be provided by HASCO if needed to ensure meaningful access to the informal hearing proceedings. The family should request an interpreter from HASCO at least 5 business days prior to the hearing to enable HASCO to make necessary arrangements.

Recording of the Hearing

The family is entitled to have the hearing recorded by audiotape. HASCO may, but is not required to provide a transcript of the hearing.

HASCO Policy

HASCO will not provide a transcript of the hearing. The family can create an audio recording of the hearing on their own device. No video recording will be allowed at the hearing.

Hearing Decision

HASCO must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The decision must state the basis for the decision.

Informal Hearing Procedures for Residents [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that HASCO provide a hearing. The request for a hearing must be made either within 30 calendar days of receipt of HASCO notice of termination, or within 30 calendar 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-III.C](#).

Retention of Documents [24 CFR 5.514(h)]

HASCO must retain for a minimum of 5 years the following documents that may have been submitted to HASCO by the family, or provided to HASCO as part of the USCIS appeal or HASCO informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

PART IV: OWNER OR FAMILY DEBTS TO HASCO

16-IV.A. OVERVIEW

HASCO is required to include in the administrative plan, policies concerning repayment by a family of amounts owed to HASCO [24 CFR 982.54]. If the family breaches an agreement with HASCO to pay amounts owed to HASCO, or amounts paid to an owner by a PHA, HASCO, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. HASCO may prescribe the terms of the agreement [24 CFR 982.552(c)(1)(vii)]. This part describes HASCO's policies for recovery of monies owed to HASCO by families or owners.

HASCO Policy

When an action or inaction of an owner or participant results in the overpayment of housing assistance, HASCO holds the owner or participant liable to return any overpayments to HASCO.

HASCO will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

16-IV.B. REPAYMENT POLICY

Owner Debts to HASCO

HASCO Policy

Any amount due to HASCO by an owner must be repaid by the owner within 30 days of HASCO determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, HASCO will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments HASCO may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by HASCO.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HASCO will ban the owner from future participation in the program and pursue other modes of collection.

When an owner refuses to repay monies owed to HASCO, HASCO will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

Family Debts to HASCO

Families are required to reimburse HASCO if they were charged less rent than required because the family either underreported or failed to report income. HASCO is required to determine retroactive rent amounts as far back as HASCO has documentation of family unreported income [Notice PIH 2018-18].

HASCO Policy

If HASCO determines that a participant owes money, HASCO will send a notification to the participant with an explanation of how the overpayment was calculated and will allow the participant 10 business days to request an explanation of the overpayment calculation. If the participant requests an explanation of the calculation, HASCO will schedule a phone call or meeting to review the file within 10 business days of receipt of the participant's request for an explanation. At that time, the participant can dispute the calculation amount. If the participant disputes the calculation amount, a manager or director in the TBA department will review the file for accuracy.

Upon conclusion of the explanation or management review of the file, if the participant requested management review, any amount owed to HASCO by the participant must be repaid in full within 30 calendar days or according to the payment schedule listed below if the participant chooses to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HASCO will terminate assistance in accordance with the policies in [Chapter 12](#) and pursue other modes of collection.

Refusal to Enter into an Agreement

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HASCO must terminate assistance [Notice PIH 2018-18] in accordance with the policies in [Chapter 12](#) and pursue other modes of collection.

PHA Policy

When a family refuses to repay monies owed to the PHA, in addition to termination of program assistance, the PHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

Repayment Agreement [24 CFR 792.103]

The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to HASCO in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific periods.

General Repayment Agreement Guidelines for Families

Down Payment Requirement

HASCO Policy

HASCO does not require a down payment for a repayment agreement.

Payment Thresholds

Notice PIH 2018-18 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 HASCO has the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

HASCO Policy

Overpayments must be repaid according to the following payment schedule:

- **HAP Overpayment amounts \$500 or less will not be pursued** for repayment; but will count toward the household’s lifetime maximum of two overpayments while participating in the HCV program.
- **UAP Overpayment amounts \$100 or less will not be pursued** for repayment if the funds are no longer available on the prepaid card provided by HASCO.
- Amounts between **\$501 and \$999** must be repaid within **12 months**.
- Amounts between **\$1,000 and \$1,999** must be repaid within **24 months**.
- Amounts between **\$2,000 and \$2,999** must be repaid within **36 months**.
- Amounts between **\$3,000 and \$5000** must be repaid within **48 months**.
- Amounts exceeding **\$5,000** must be repaid within **60 months**.

The household will have an opportunity to renegotiate the terms of the repayment agreement if the household experiences any of the following circumstances:

- It is necessary as a reasonable accommodation.
- It is necessary due to reasons beyond the family’s control, as determined by HASCO.
- It is necessary due to a change in the household income, as determined by HASCO.

Execution of the Agreement

All repayment agreements must be in writing, dated, and signed by both the family and HASCO [Notice PIH 2018-18].

HASCO Policy

Any repayment agreement between HASCO and a family must be signed and dated by HASCO and by the head of household and spouse/cohead (if applicable).

Due Dates

HASCO Policy

All payments are due by the close of business on the last business day of the month.

Late or Missed Payments

HASCO Policy

Participants in a repayment agreement must make at least one payment each month. The payment must be received by the last business day of the month. Failure to make payments in any month during the repayment agreement is considered a missed payment. A short payment (a payment less than the agreed monthly payment in the Repayment Agreement) will be considered a missed payment.

Three missed payments during the Repayment Agreement will result in the immediate initiation of the termination process outlined in [Chapter 12](#).

No Offer of Repayment Agreement

HASCO Policy

HASCO will not enter into a repayment agreement with a family if there is already a repayment agreement in place, unless the family pays in full one of the debts owed.

Households can only have one overpayment at a time. Households may only incur two overpayments during their lifetime on the program. A third overpayment will result in termination from the program.

Those participants who have entered into a Repayment Agreement prior to the update of this policy on 11/14/2016, will maintain their same payment schedule per the agreement. Participants with prior Repayment Agreements will be expected to make monthly payments for the agreed upon amount. Updated rules regarding missed or short will apply to participants with prior Repayment Agreements.

Repayment Agreement Terms

All repayment agreements must be in writing, dated, signed by both the family and HASCO, include the total retroactive rent amount owed, any amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. Notice PIH 2018-18 requires certain provisions, at a minimum, be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- 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 HASCO may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to HASCO 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
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)

16-V.A. OVERVIEW

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure HASCO performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for HASCO as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect HASCO in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- 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].
- HUD may determine that HASCO'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-V.B. SEMAP CERTIFICATION [24 CFR 985.101]

HASCO must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by HASCO board resolution and signed by HASCO's executive director. If HASCO 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.

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].

Failure of HASCO to submit its SEMAP certification within the required time frame will result in an overall performance rating of “troubled.”

HASCO's SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

Upon receipt of HASCO's SEMAP certification, HUD will rate HASCO's performance under each SEMAP indicator in accordance with program requirements.

HUD Verification Method

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. HASCO 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].

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 HASCO's certification on the indicator due to HASCO's failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

16-V.C. SEMAP INDICATORS [24 CFR 985.3 AND FORM HUD-52648]

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.

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</p> <p>Maximum Score: 15</p> <p>This indicator shows whether HASCO has written policies in its administrative plan for selecting applicants from the waiting list and whether HASCO follows these policies when selecting applicants from the waiting list.</p> <p>Points are based on the percent of families that are selected from the waiting list in accordance with HASCO's written policies, according to HASCO's quality control samples.</p>
<p>Indicator 2: Rent reasonableness</p> <p>Maximum Score: 20</p> <p>This indicator shows whether HASCO 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.</p> <p>Points are based on the percent of units for which HASCO follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to HASCO's quality control sample.</p>
<p>Indicator 3: Determination of adjusted income</p> <p>Maximum Score: 20</p> <p>This indicator measures whether HASCO 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.</p> <p>Points are based on the percent of files that are calculated and verified correctly, according to HASCO's quality control sample.</p>

Indicator 4: Utility allowance schedule**Maximum Score: 5**

This indicator shows whether HASCO maintains an up-to-date utility allowance schedule.

Points are based on whether HASCO has reviewed the utility allowance schedule and adjusted it when required, according to HASCO's certification.

Indicator 5: HQS quality control inspections**Maximum Score: 5**

This indicator shows whether a HASCO supervisor reinspects a sample of units under contract during HASCO'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 HASCO'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 HASCO-approved extension.

Points are based on whether HASCO corrects all HQS deficiencies in accordance with required time frames, according to HASCO's certification.

Indicator 7: Expanding housing opportunities**Maximum Points: 5**

Only applies to PHAs with jurisdiction in metropolitan FMR areas.

This indicator shows whether the PHA 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 the PHA'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 the PHA has adopted and implemented written policies in accordance with SEMAP requirements, according to the PHA's certification.

Indicator 8: FMR limit and payment standards**Maximum Points: 5 points**

This indicator shows whether HASCO has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in HASCO's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.

Points are based on whether HASCO has appropriately adopted a payment standard schedule(s), according to HASCO's certification.

Indicator 9: Annual reexaminations**Maximum Points: 10**

This indicator shows whether HASCO 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 Points: 5**

This indicator shows whether HASCO 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 Points: 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 Points: 10**

This indicator shows whether HASCO 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 2 months overdue, according to data from PIC.

Indicator 13: Lease-up**Maximum Points: 20 points**

This indicator shows whether HASCO enters HAP contracts for at least 98 percent of the number of HASCO's baseline voucher units in the ACC for the calendar year ending on or before HASCO's fiscal year, or whether HASCO has expended at least 98 percent of its allocated budget authority for the same calendar year. HASCO 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 Points: 10**

Only applies to PHAs with mandatory FSS programs.

This indicator shows whether the PHA 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 Points: 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 Points: 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.

PART VI: RECORD KEEPING

16-VI.A. OVERVIEW

HASCO 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. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, HASCO must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

16-VI.B. RECORD RETENTION [24 CFR 982.158; 24 CFR 908.101]

During the term of each assisted lease, and for at least three years thereafter, HASCO must keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, HASCO must keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting HASCO budget and financial statements for the program;
- Records to document the basis for HASCO determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by HUD.

HASCO 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].

HASCO 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].

Notice PIH 2014-20 requires HASCO 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.

HASCO must keep confidential records of all emergency transfer requested by victims of domestic violence, dating violence, sexual assault, and stalking under HASCO'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)].

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-III.D.](#), Retention of Documents.

16-VI.C. RECORDS MANAGEMENT

HASCO must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

HASCO Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized HASCO staff.

HASCO staff will not discuss applicant/participant family information unless there is a business reason to do so. Inappropriate discussion of applicant/participant family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886]

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.

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 HASCO may release the information collected.

Upfront Income Verification (UIV) Records

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) system are 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*.

HASCO Policy

HASCO has adopted and implemented EIV security procedures as required by HUD.

Criminal Records

HASCO may only disclose the criminal conviction records which HASCO receives from a law enforcement agency to officers or employees of HASCO, or to authorized representatives of HASCO who have a job-related need to have access to the information [24 CFR 5.903(e)].

HASCO must establish and implement a system of records management that ensures that any criminal record received by HASCO 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 HASCO action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

HASCO must establish and implement a system of records management that ensures that any sex offender registration information received by HASCO 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 HASCO action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by HASCO other than under 24 CFR 5.905.

Medical/Disability Records

HASCO is not permitted to inquire about the nature or extent of a person's disability. HASCO may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If HASCO receives a verification document that provides such information, HASCO should not place this information in the tenant file. HASCO should destroy the document.

Documentation of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

For requirements and HASCO policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see [section 16-IX.E](#).

PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL

16-VII.A. OVERVIEW

HASCO 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](#). This part deals with the reporting requirements, and data collection and record keeping responsibilities that HASCO is subject to.

16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(E); NOTICE PIH 2017-13]

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 so 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. HASCO 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.

HASCO Policy

Upon notification by the owner, HASCO will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level within five business days.

Upon notification by the owner, HASCO will 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.

16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(F)]

At least quarterly, HASCO 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 6 years old with an identified elevated blood lead level.

If HASCO obtains names and addresses of elevated blood lead level children from the public health department(s), HASCO 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, HASCO must carry out the notification, verification, and hazard reduction requirements discussed in [Chapter 8](#), and the reporting requirement discussed above.

At least quarterly, HASCO 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.

HASCO Policy

HASCO provides an updated list of the addresses of units receiving assistance under the HCV program to Washington Department of Health (DOH) on a quarterly basis. DOH provides a list of any addresses that match with reported elevated blood lead levels at that time. .

PART VIII: DETERMINATION OF INSUFFICIENT FUNDING

16-VIII.A. OVERVIEW

The HCV regulations allow HASCO 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 982.354(e)(1) and 982.454]. If HASCO denies a family a portability move based on insufficient funding, HASCO is required to notify the local HUD office within 10 business days [24 CFR 982.354]. Insufficient funding may also impact HASCO's ability to issue vouchers to families on the waiting list. This part discusses the methodology HASCO will use to determine whether or not HASCO has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

16-VIII.B. METHODOLOGY

HASCO Policy

HASCO may terminate HAP contracts if HASCO determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program. HASCO will determine whether there is sufficient HAP funding to pay for currently assisted families and/or Administrative Fees to pay for staffing according to the policies in this plan.

If HASCO determines there is a shortage of funding, prior to terminating any HAP contracts, HASCO 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 and/or to pay for staffing costs to maintain the required levels of service, HASCO will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, HASCO will inform the local HUD field office. HASCO will terminate the minimum number needed in order to reduce HAP and/or Administrative costs to a level within HASCO's annual budget authority. If HASCO must terminate HAP contracts due to insufficient funding, HASCO will do so in accordance with the following criteria and instructions:

- HASCO will use a first in first out approach. Terminations will be determined based on the date the family was first admitted to the program starting with those who have received assistance the longest. FUP, NED I & II and VASH Targeted Funding Vouchers will be the last to be terminated. Any households that meet the HUD definition for Elderly or Disabled households, Homeownership, Project Based Vouchers (PBV) and Tenant Protection Vouchers (TPV) will also be the last to be terminated.
- If it is determined that implementing the voucher program will still exceed the available HAP and/or Administrative costs, HASCO may then terminate based on the date the family was admitted to the program for Homeownership, PBV, TPV,

Elderly or Disabled households or those admitted under Targeted Funding Vouchers with the exception of VASH families. VASH families shall be the very last households that are terminated from the voucher program.

In the event VASH families are terminated in accordance with the policies described in this section, they will be allowed to resume participation as soon as HASCO has sufficient funding based on the date the VASH family was first admitted to the program. All other families including the remainder of the Targeted Funding Vouchers that have been terminated according to the above policies must reapply through HASCO's waiting list for the Section 8 assistance.

PART IX: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, CONFIDENTIALITY

16-IX.A. OVERVIEW

The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the housing choice voucher (HCV) program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and HASCO policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and HASCO policies are located primarily in the following sections: [3-I.C](#), “Family Breakup and Remaining Member of Tenant Family”; [3-III.G](#), “Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, and Stalking”; [10-I.A](#), “Allowable Moves”; [10-I.B](#), “Restrictions on Moves”; [12-II.E](#), “Terminations Related to Domestic Violence, Dating Violence, or Stalking”; and [12-II.F](#), “Termination Notice.”

16-IX.B. DEFINITIONS [24 CFR 5.2003, 42 USC 13925]

As used in VAWA:

- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members’ lease and occupancy rights are allowed to remain intact.
- 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:
 - The length of the relationship
 - The type of relationship
 - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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.
- The term *affiliated individual* means, with respect to a person:
 - 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

- Any other individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *sexual assault* means:
 - Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks the capacity to consent
- The term *stalking* means:
 - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for their safety or the safety of others, or suffer substantial emotional distress.

16-IX.C. NOTIFICATION [24 CFR 5.2005(A)]

Notification to Public

HASCO adopts the following policy to help ensure that all actual and potential beneficiaries of its HCV program are aware of their rights under VAWA.

HASCO Policy

HASCO will post the following information regarding VAWA in its offices and on its website. It will also make the information readily available to anyone who requests it.

- A copy of the notice of occupancy rights under VAWA to housing choice voucher program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (Form HUD-5380, see [Exhibit 16-1](#))
- A copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation (see [Exhibit 16-2](#))
- A copy of HASCO's emergency transfer plan ([Exhibit 16-3](#))
- A copy of HUD's Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, Form HUD-5383 ([Exhibit 16-4](#))
- The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in [Exhibits 16-1](#) and [16-2](#))
- Contact information for local victim advocacy groups or service providers

Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1)]

HASCO is required to inform program applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

HASCO Policy

HASCO will provide all applicants who come to the top of the wait list with an application packet to complete. This packet will include the VAWA information. HASCO will also include information about VAWA in all notices of denial of assistance (see [section 3-III.G](#)).

HASCO will provide all participants with information about VAWA at the time of admission (see [section 5-I.B](#)) and at annual reexamination. HASCO will also include information about VAWA in notices of termination of assistance, as provided in [section 12-II.F](#).

The VAWA information provided to applicants and participants will consist of the notices in [Exhibits 16-1](#) and [16-2](#).

HASCO is not limited to providing VAWA information at the times specified in the above policy. If HASCO 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 HASCO make alternative delivery arrangements that will not put the victim at risk.

HASCO Policy

Whenever HASCO has reason to suspect that providing information about VAWA to a participant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim or by having the victim come to an office or other space that may be safer for the individual, making reasonable accommodations as necessary. For example, HASCO may decide not to send mail regarding VAWA protections to the victim's unit if HASCO believes the perpetrator may have access to the victim's mail, unless requested by the victim.

When discussing VAWA with the victim, HASCO will take reasonable precautions to ensure that no one can overhear the conversation, such as having conversations in a private room.

The victim may, but is not required to, designate an attorney, advocate, or other secure contact for communications regarding VAWA protections.

Notification to Owners and Managers

While HASCO is no longer required by regulation to notify owners and managers participating in the HCV program of their rights and obligations under VAWA, HASCO may still choose to inform them.

HASCO Policy

HASCO will provide owners and managers with information about their rights and obligations under VAWA when they begin their participation in the program and at least annually thereafter.

The VAWA information provided to owners will consist of the notice in [Exhibit 16-5](#) and a copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, and Stalking and Alternate Documentation.

16-IX.D. DOCUMENTATION [24 CFR 5.2007]

If HASCO 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, HASCO may—but is not required to—request that the individual making the claim document the abuse. 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. HASCO may extend this period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy HASCO’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), 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.
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) 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.

HASCO may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under “Conflicting Documentation,” nor may it require certification in addition to third-party documentation [VAWA final rule].

HASCO Policy

Any request for documentation of domestic violence, dating violence, sexual assault or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

HASCO may, in its discretion, extend the deadline for 10 business days. In determining whether to extend the deadline, HASCO will consider factors that may contribute to the victim’s inability to provide documentation in a timely manner, including cognitive limitations, disabilities, limited English proficiency, absence from the unit, administrative

delays, the danger of further violence, and the victim's need to address health or safety issues. Any extension granted by HASCO will be in writing.

Once the victim provides documentation, HASCO will acknowledge receipt of the documentation within 10 business days.

Conflicting Documentation [24 CFR 5.2007(b)]

In cases where HASCO receives conflicting certification documents 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 perpetrator, HASCO may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). HASCO may also request third-party documentation when submitted documentation contains information that conflicts with existing information already available to HASCO. Individuals have 30 calendar days to return third-party verification to HASCO. If HASCO does not receive third-party documentation, and HASCO will deny or terminate assistance as a result, HASCO must hold separate hearings for the tenants [Notice PIH 2017-08].

HASCO must honor any court orders issued to protect the victim or to address the distribution of property.

HASCO Policy

If presented with conflicting certification documents from members of the same household, HASCO will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(b)(2) and by following any HUD guidance on how such determinations should be made.

When requesting third-party documents, HASCO will provide contact information for local domestic violence and legal aid offices. In such cases, applicants or tenants will be given 30 calendar days from the date of the request to provide such documentation.

If HASCO does not receive third-party documentation within the required timeframe (and any extensions) HASCO will deny VAWA protections and will notify the applicant or tenant in writing of the denial. If, as a result, the applicant or tenant is denied or terminated from the program, HASCO will hold separate hearings for the applicants or tenants.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

HASCO has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). HUD recommends documentation in a confidential manner when a verbal statement or other evidence is accepted.

HASCO Policy

If HASCO accepts an individual's statement or other corroborating evidence (as determined by the victim) of domestic violence, dating violence, sexual assault or stalking, HASCO will document acceptance of the statement or evidence in the

individual's file. An individual's statement may be written or verbal, and corroborating evidence could include visible cuts or bruises.

The statement may include:

- The victim's name.
- Date of the act.
- Whether the act is domestic violence, dating violence, sexual assault, or stalking.
- If the victim shares they have cuts, bruises or injuries from the act, notation of this must be made on the statement.
- Signature and date of staff member who processed the statement (the victim is not required to sign the statement).

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, HASCO must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as HASCO may allow, HASCO may deny relief for protection under VAWA.

16-IX.E. CONFIDENTIALITY [24 CFR 5.2007(B)(4)]

All information provided to HASCO 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 HASCO (1) may not enter the information into any shared database, (2) 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 (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

HASCO Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HASCO will make good faith efforts to inform the victim before disclosure occurs so that safety risks can be identified and addressed.

**EXHIBIT 16-1: SAMPLE NOTICE OF OCCUPANCY RIGHTS UNDER THE
VIOLENCE AGAINST WOMEN ACT (FORM HUD-5380)**

**The Housing Authority of Snohomish County
Notice of Occupancy Rights under the Violence Against Women Act²**

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.³ The U.S. Department of Housing and Urban Development (HUD) is the federal agency that oversees that the **HASCO Tenant Based Assistance Program** is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

Protections for Applicants

If you otherwise qualify for assistance under the **HASCO Tenant Based Assistance Program**, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Tenants

If you are receiving assistance under the **HASCO Tenant Based Assistance Program**, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

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

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

² Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

³ 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.

Removing the Abuser or Perpetrator from the Household

HASCO 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 HASCO chooses to remove the abuser or perpetrator, HASCO 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, HASCO 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, HASCO must follow federal, state, and local eviction procedures. In order to divide a lease, HASCO 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, HASCO 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, HASCO may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

1. **You are a victim of domestic violence, dating violence, sexual assault, or stalking.**
If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.
2. **You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.
3. **You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

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

HASCO 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.

HASCO's Tenant Based Assistance Program emergency transfer plan provides further information on emergency transfers, and HASCO 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

HASCO can, but is not required to, ask you to provide documentation to “certify” that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from HASCO must be in writing, and HASCO 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. HASCO 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 HASCO as documentation. It is your choice which of the following to submit if HASCO 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 HASCO 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.
- 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 they believe that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that HASCO has agreed to accept. If you fail or refuse to provide one of these documents within the 14 business days, HASCO does not have to provide you with the protections contained in this notice. If HASCO 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), HASCO 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, HASCO does not have to provide you with the protections contained in this notice.

Confidentiality

HASCO 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. HASCO must not allow any individual administering assistance or other services on behalf of HASCO (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.

HASCO must not enter your information into any shared database or disclose your information to any other entity or individual. HASCO, however, may disclose the information provided if:

- You give written permission to HASCO to release the information on a time limited basis.
- HASCO 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 HASCO or your landlord to release the information. VAWA does not limit HASCO'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, HASCO 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 HASCO 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.

If HASCO can demonstrate the above, HASCO 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

HUD Field OFFICE Seattle Federal Office Building 909 First Avenue, Suite 200 Seattle, WA 98104-1000 (206) 220-5101

For Additional Information

You may view a copy of HUD's final VAWA rule at: <https://www.gpo.gov/fdsys/pkg/FR-2016-11-02/pdf/2016-26063.pdf>

Additionally, HASCO must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact **the HASCO Tenant Based Assistance Manager at (425) 290-8499.**

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).

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://victimsofcrime.org/our-programs/past-programs/stalking-resource-center>.

**EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION,
(FORM HUD-5382)**

**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 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 period to submit the documentation, if you request an extension of the 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): _____
9. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ 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 16-3: EMERGENCY TRANSFER PLAN FOR VICTIMS OF
DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING
(FORM HUD-5381)**

Attachment: Certification form HUD-5382

The Housing Authority of Snohomish County

**Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence,
Sexual Assault, or Stalking
Housing Choice Voucher Program**

Emergency Transfers

HASCO is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA)⁴, HASCO allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.⁵ The ability of HASCO to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HASCO has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and provides guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant

⁴Despite 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.

⁵ 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.

may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify their housing specialist and submit a written request for a transfer to the HASCO office. HASCO will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HASCO's HCV/PBV program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

HASCO will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives HASCO written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about HASCO's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

HASCO cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HASCO will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HASCO may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If HASCO has no safe and available units for which a tenant who needs an emergency transfer is eligible, HASCO will assist the tenant in identifying other housing providers who may have safe

and available units to which the tenant could move. At the tenant's request, HASCO may also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfers: Housing Choice Voucher (HCV) Program

Tenant-based assistance: If you are a participant in the tenant-based HCV program and request an emergency transfer as described in this plan, HASCO will assist you to move to a safe unit quickly using your existing voucher assistance. HASCO will make exceptions to program regulations restricting moves as required.

At your request, HASCO may refer you to organizations that may be able to further assist you.

Project-based assistance: If you are assisted under the project-based voucher (PBV) program, you may request an emergency transfer under the following programs for which you are not required to apply:

- Tenant-based voucher, if available
- Project-based assistance in the same project (if a vacant unit is available and you determine that the vacant unit is safe)
- Project-based assistance in another development owned by HASCO
- Emergency transfers under VAWA will take priority over waiting list admissions for these types of assistance.

You may also request an emergency transfer under the following programs for which you are required to apply:

- Public housing program administered by another Housing Authority
- PBV assistance in another development not owned by HASCO Emergency transfers will not take priority over waiting list admissions for these programs. At your request, HASCO will refer you to organizations that may be able to further assist you.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe. Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at: <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking may seek help by visiting the National Center for Victims of Crime's Stalking Resource Center at: <https://www.victimsofcrime.org/ourprograms/stalking-resource-center>.

Tenants who are or have been victims of domestic violence may seek help by visiting Domestic Violence Services of Snohomish County at: <https://dvs-snoco.org/>.

**EXHIBIT 16-4: EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC
VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING (FORM HUD-5383)**

**EMERGENCY TRANSFER
REQUEST FOR CERTAIN
VICTIMS OF DOMESTIC
VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

- (1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.**
If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.
- (2) You expressly request the emergency transfer.** Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.
- (3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

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

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. **Name of victim requesting an emergency transfer:** _____
2. **Your name (if different from victim's)** _____
3. **Name(s) of other family member(s) listed on the lease:** _____
4. **Name(s) of other family member(s) who would transfer with the victim:** _____
5. **Address of location from which the victim seeks to transfer:** _____
6. **Address or phone number for contacting the victim:** _____
7. **Name of the accused perpetrator (if known and can be safely disclosed):** _____
8. **Relationship of the accused perpetrator to the victim:** _____
9. **Date(s), Time(s) and location(s) of incident(s):** _____
10. **Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 calendar days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11.** _____
11. **Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.** _____
12. **If voluntarily provided, list any third-party documentation you are providing along with this notice:** _____

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on

this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

EXHIBIT 16-5: MODEL OWNER NOTIFICATION OF RIGHTS AND OBLIGATIONS

HOUSING AUTHORITY OF SNOHOMISH COUNTY NOTIFICATION OF YOUR RIGHTS AND OBLIGATIONS UNDER THE VIOLENCE AGAINST WOMEN ACT (VAWA)

VAWA provides protections for Section 8 Housing Choice Voucher (HCV) and PBV applicants, tenants, and participants from being denied assistance on the basis or as a direct result of being a victim of domestic violence, dating violence, sexual assault and stalking.

Purpose

Many of VAWA's protections to victims of domestic violence, dating violence, sexual assault and stalking involve action by the public housing agency (HASCO), but some situations involve action by owners of assisted housing. The purpose of this notice (herein called "Notice") is to explain your rights and obligations under VAWA, as an owner of housing assisted through HASCO HCV program. Each component of this Notice also provides citations to HUD's applicable regulations.

Denial of Tenancy

Protections for applicants: Owners cannot deny tenancy based on the applicant having been or currently being a victim of domestic violence, dating violence, sexual assault, or stalking. However, the applicant must be otherwise eligible for tenancy. (See 24 Code of Federal Regulations (CFR) 982.452(b)(1).)

Eviction

Protections for HCV participants: Incidents or threats of domestic violence, dating violence, sexual assault, or stalking will not be considered a serious or repeated lease violation by the victim, or good cause to terminate the tenancy of the victim (24 CFR 5.2005(c)). Protection also applies to criminal activity related directly to domestic violence, dating violence, sexual assault, or stalking, conducted by a member of a tenant's household or any guest or other person under the tenant's control, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking (24 CFR 5.2005(b)(2)).

Limitations of VAWA protections:

- a. Nothing in the VAWA Final Rule limits the authority of an owner, when notified of a court order, to comply with a court order with respect to (24 CFR 5.2005(d)(1)):
 - 1) The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking; or
 - 2) The distribution or possession of property among members of a household in a case.
- b. Nothing in the VAWA Final Rule limits an owner from evicting a victim of domestic violence, dating violence, sexual assault, or stalking for a lease violation that is not premised

on an act of domestic violence, dating violence, sexual assault, or stalking, as long as the owner does not subject the victim to more demanding standards than other tenants when deciding whether to evict. (See 24 CFR 5.2005(d)(2).)

c. Nothing in the VAWA Final Rule limits an owner from evicting a tenant (including the victim of domestic violence, dating violence, sexual assault, or stalking) if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to the HCV property would be present if the tenant or lawful occupant is not evicted. (See 24 CFR 5.2005(d)(3).)

i. In this context, words, gestures, actions, or other indicators will be considered an “actual and imminent threat” if they meet the following standards: An actual and imminent threat consists of a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur. (See 24 CFR 5.2003.)

ii. Any eviction due to “actual and imminent threat” should be utilized by an owner only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents. (See 24 CFR 5.2005(d)(4).)

Documentation of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

If an applicant or tenant requests VAWA protection based on status as a victim of domestic violence, dating violence, sexual assault, or stalking, the owner has the option to request that the victim document or provide written evidence to demonstrate that the violence occurred. However, nothing in HUD’s regulation requires a covered housing provider to request this documentation. (See 24 CFR 5.2007(b)(3).)

If the owner chooses to request this documentation, the owner must make such request in writing. The individual may satisfy this request by providing any one document type listed under 24 CFR 5.2007(b)(1):

a. Form HUD-55383 (Self-Certification Form); or

b. A document:

1) Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional (collectively, “professional”) from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse:

2) Signed by the applicant or tenant; and

3) 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 24 CFR part 5, subpart L, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003; or

c. A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

d. At the discretion of a covered housing provider, a statement or other evidence provided by the applicant or tenant.

The owner must accept any of the above items (a – c). The owner has discretion to accept a statement or other evidence (d).

The owner is prohibited from requiring third-party documentation of the domestic violence, dating violence, sexual assault, or stalking, unless the submitted documentation contains conflicting information.

If the owner makes a written request for documentation, the owner may require submission of that documentation within 14 business days after the date that the individual received the written request for documentation. (24 CFR 5.2007(a)(2)). The owner may extend this period at its discretion. During the 14 business day period and any granted extensions of that time, no adverse actions, such as evictions or terminations, can be taken against the individual requesting VAWA protection.

Once a victim provides documentation of domestic violence, dating violence, sexual assault, or stalking, the owner is encouraged to acknowledge receipt of the documentation in a timely manner.

If the applicant or tenant fails to provide documentation that meets the criteria in 24 CFR 5.2007 within 14 business days after receiving the written request for that documentation or within the designated extension period, nothing in VAWA Final Rule may be construed to limit the authority of the covered housing provider to:

- a. Deny admission by the applicant or tenant to the housing or program;
- b. Deny assistance under the covered housing program to the applicant or tenant;
- c. Terminate the participation of the tenant in the covered housing program; or
- d. Evict the tenant, or a lawful occupant that commits a violation of a lease.

An individual's failure to timely provide documentation of domestic violence, dating violence, sexual assault, or stalking does not result in a waiver of the individual's right to challenge the denial of assistance or termination, nor does it preclude the individual's ability to raise an incident of domestic violence, dating violence, sexual assault, or stalking at eviction or termination proceedings.

Moves

A victim of domestic violence, dating violence, sexual assault, or stalking may move in violation of their lease if the move is required to protect their safety. If a move results in the termination of the Housing Assistance Payment Contract, the lease is automatically terminated.

Lease Bifurcation

Owners may choose to bifurcate a lease, or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to such member who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual. (See 24 CFR 5.2009(a).) If an owner chooses to bifurcate the lease, the owner must comply with the reasonable time to establish eligibility under the covered housing program or find alternative housing following lease bifurcation provision in 24 CFR 5.2009(b). VAWA protections, including bifurcation, do not apply to guests or unreported members of a household or anyone else residing in a household who is not a tenant.

Eviction, removal, termination of occupancy rights, or termination of assistance must be effected in accordance with the procedures prescribed by federal, state, or local law for termination of leases.

To avoid unnecessary delay in the bifurcation process, HUD recommends that owners seek court-ordered eviction of the perpetrator pursuant to applicable laws. This process results in the underlying lease becoming null and void once the owner regains possession of the unit. The owner would then execute a new lease with the victim.

Evictions Due to “Actual and Imminent Threat” or Violations Not Premised on Abuse

The VAWA Final Rule generally prohibits eviction on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for assistance, participation or occupancy. (See 24 CFR 5.2005.)

However, the VAWA Final Rule does not prohibit an owner from evicting a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking that is in question against the tenant or an affiliated individual of the tenant. Nor does the VAWA Final Rule prohibit an owner from evicting a tenant if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to property of the owner would be present if that tenant or lawful occupant is not evicted or terminated from assistance. (See 5.2005(d)(2) and (3).)

In order to demonstrate an actual and imminent threat to other tenants or employees at the property, the covered housing provider must have objective evidence of words, gestures, actions, or other indicators that meet the standards in the following definition:

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. In determining

whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk;
- The nature and severity of the potential harm;
- The likelihood that the potential harm will occur; and
- The length of time before the potential harm would occur.

(See 24 CFR 5.2003 and 5.2005(d)(2).)

Confidentiality

Any information submitted to a covered housing provider under 24 CFR 5.2007, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be maintained in strict confidence by the covered housing provider. (See 24 CFR 5.2007(c).)

Employees of the owner (or those within their employ, e.g., contractors) must not have access to the information unless explicitly authorized by the owner for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law (e.g., the information is needed by an employee to provide the VAWA protections to the victim).

The owner must not enter this information into any shared database, or disclose this information to any other entity or individual, except to the extent that disclosure is:

- a. Requested or consented to in writing by the individual (victim) in a time-limited release;
- b. Required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program; or
- c. Otherwise required by applicable law.

When communicating with the victim, owners must take precautions to ensure compliance with these confidentiality requirements.

Service Providers

HASCO has extensive relationships with local service providers. HASCO staff are available to provide referrals to shelters, counselors, and advocates. These resources are also provided in HASCO'S Annual and 5-Year Plan, Administrative Plan, VAWA Notice of Occupancy Rights, and Emergency Transfer Plan. A list of local service providers is attached to this Notice.

Definitions

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. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood

that the potential harm will occur, and the length of time before the potential harm would occur.

Affiliated individual, with respect to an individual, means:

- (1) A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or
- (2) Any individual, tenant, or lawful occupant living in the household of that individual.

Bifurcate means to divide a lease as a matter of law, 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 of the remaining tenants and lawful occupants.

Dating violence means violence committed by a person:

- (1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- (2) Where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - (i) The length of the relationship;
 - (ii) The type of relationship; and
 - (iii) The frequency of interaction between the persons involved in the relationship.

Domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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. 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.

Sexual assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

- (1) Fear for the person's individual safety or the safety of others; or
- (2) Suffer substantial emotional distress.

VAWA means the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and 42 U.S.C. 14043e et seq.).

Attached:

Legal services and the domestic violence resources for the Metro area

Form HUD-5382 Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

HASCO VAWA Notice of Occupancy Rights

CHAPTER 17

PROJECT-BASED VOUCHERS

INTRODUCTION

This chapter describes HUD regulations and HASCO policies related to the project-based voucher (PBV) program in nine parts:

[Part I: General Requirements](#). This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

[Part II: PBV Owner Proposals](#). This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors HASCO 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 III: 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 IV: 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 V: 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 HASCO's discretion.

[Part VI: Selection of PBV Program Participants](#). This part describes the requirements and policies governing how HASCO and the owner will select a family to receive PBV assistance.

[Part VII: 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 VIII: 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 IX: Payments to Owner](#). This part describes the types of payments owners may receive under this program.

PART I: GENERAL REQUIREMENTS

17-I.A. OVERVIEW [24 CFR 983.5; FR NOTICE 1/18/17; NOTICE PIH 2017-21]

The project-based voucher (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]. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

HASCO Policy

HASCO will operate a project-based voucher program using up to 20 percent of its authorized units for project-based assistance.

See [Exhibit 17-1](#) for information on projects to which HASCO has attached PBV assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, HASCO is not required to reduce the number of these units if the number of authorized units is subsequently reduced. However, HASCO 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, regardless of whether HASCO has vouchers available for project-basing [FR Notice 1/18/17].

Additional Project-Based Units [FR Notice 1/18/17 ; Notice PIH 2017-21; FR Notice 1/24/22]

HASCO 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.

For units under a HAP contract that was first executed on or after April 18, 2017, units qualify under this exception, if the units:

- 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 578.3.
- Are specifically made available to house families that are comprised of or include a veteran.
 - *Veteran* means an individual who has served in the United States Armed Forces.
- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
- 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.

PBV units that house eligible youth receiving FUPY/FYI assistance are also covered by this 10 percent exception authority if the units are under a HAP contract that became effective after December 27, 2020, and if the unit is occupied by an eligible youth receiving FUPY/FYI assistance. FYI TPVs that were awarded under Notice PIH 2019-20 are not part of this exception since PHAs are prohibited from project-basing FYI TPVs. Units added after December 27, 2020, through an amendment of a HAP contract that became effective after December 27, 2020, are eligible for this 10 percent exception authority. In contrast, units added after December 27, 2020, through an amendment of a HAP contract that became effective on or prior to December 27, 2020, are not eligible for this 10 percent exception authority [FR Notice 1/24/22]. See [Chapter 18](#) for policies specific to project-basing FUPY vouchers.

HASCO Policy

HASCO may project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Units Not Subject to the PBV Program Limitation [FR Notice 1/18/17]

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.

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 April 18, 2017.

HASCO Policy

HASCO may project-base units not subject to the 20 percent cap in accordance with HUD regulations and requirements.

17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of HASCO 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.

HASCO Policy

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

17-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]

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.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. HASCO may not use voucher program funds to cover relocation costs, except that HASCO may use their 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.

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 HASCO to ensure the owner complies with these requirements.

17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

HASCO 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). In addition, HASCO must comply with HASCO Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

PART II: PBV OWNER PROPOSALS

17-II.A. OVERVIEW

With certain exceptions, HASCO must describe the procedures for owner submission of PBV proposals and for HASCO selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, HASCO must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57]. HASCO may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(B)]

HASCO must select PBV proposals in accordance with the selection procedures in HASCO's administrative plan. HASCO must select PBV proposals by either of the following two methods.

- HASCO request for PBV Proposals. HASCO may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to HASCO request. HASCO 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.
- HASCO may select proposal 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. HASCO need not conduct another competition.

Units Selected Non-Competitively [FR Notice 1/18/17 ; Notice PIH 2017-21; 24 CFR 983.51(b)]

For certain public housing projects where HASCO has an ownership interest or control, HASCO may attach PBV assistance non-competitively without following one of the two processes above.

This exception applies when HASCO is engaged in an initiative to improve, develop, or replace a public housing property or site. The public housing units may either currently be in the public housing inventory or may have been removed from the public housing inventory within five years of the date on which HASCO entered into the AHAP or HAP.

If HASCO is planning rehabilitation or new construction on the project, a minimum threshold of \$25,000 per unit in hard costs must be expended.

If HASCO plans to replace public housing by attaching PBV assistance to existing housing in which HASCO has an ownership interest or control, then the \$25,000 per unit minimum threshold does not apply as long as the existing housing substantially complies with HQS.

HASCO must include in the administrative plan what work it plans to do on the property or site and how many PBV units will be added to the site.

HASCO Policy

HASCO will not attach PBVs to projects owned by HASCO as described above.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]

HASCO 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 HASCO. 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. The public notice of HASCO request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

HASCO Policy

HASCO Solicitation of Proposals

On an annual basis, HASCO will determine if proposals will be solicited for Project-Based Voucher assistance and, if so, a) how many units of PBV assistance will be made available and, b) what populations the PBV assistance will be made available for. In making these determinations, HASCO will take into consideration the following factors:

- Snohomish County projects (outside the Everett City limits):
 - in pre-development that are targeted to households below 30% AMI, including the amount of public funding that will be available for i) the development of those projects and for ii) the provision of supportive services for occupants of those projects.
 - that were competitively selected under another federal, state or local housing assistance program within the last two years, and the project funding proposal did not involve any consideration that the project would receive PBV assistance
- Projects in the Everett City limits that are targeted to populations that could benefit from special purpose project-based vouchers, in consultation with and approved by Everett Housing Authority
- The number of units that are project-based as part of HASCO's 20% program cap, compared to the total number of units that HASCO is allowed to project-base as part of its 20% program cap

- The number of units that are project-based as part of HASCO's 10% program cap, compared to the total number of units that HASCO is allowed to project-base as part of its 10% program cap
- Voucher turnover data, including but not limited to:
 - The number of regular, non-targeted Housing Choice Vouchers (HCVs) that turned over during the previous calendar year
 - The number of regular, non-targeted HCVs issued during the previous calendar year. Of those:
 - the percentage that were issued to applicants on HASCO's HCV waiting list that leased up compared to the percentage that were issued to households exiting PBV units that requested continued assistance and leased up
 - the percentage that were issued to families with children that leased up compared to the percentage that were issued to households without children that leased up
- The average length of occupancy for current PBV participants over the previous calendar year, broken down by PBV owner and PBV property
- The percent of HASCO's tenant-based HCVs that are special purpose vouchers targeted to specific populations

HASCO Procedures for Competitive Selection of PBV Proposals

HASCO will only use competitive selection procedures when non-competitive selection of proposals is not applicable (i.e., for projects that were not already selected for another competition within the last three years that did not involve any consideration that the project would receive PBV assistance).

HASCO will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing, as well as for existing housing, in the following newspapers and trade journals:

- Everett Herald

In addition, HASCO will post the RFP and proposal submission and rating and ranking procedures on its web site.

HASCO will publish its advertisement in the newspaper mentioned above at least once. The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements.

In order for the proposal to be considered, the owner must submit the proposal to HASCO by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

HASCO will rate and rank proposals for housing to be assisted with project-based vouchers using the following criteria:

- Owner experience and capability to build or rehabilitate (if applicable) and operate housing as identified in the RFP;
- Extent to which the project furthers HASCO's goal of deconcentrating poverty and expanding housing and economic opportunities, including location of the project in a census tract with a poverty rate of 10.0% or less and/or an area of opportunity;
- Extent to which the assistance will serve families with a disadvantage in applying for and securing assisted housing;
- If applicable, the extent to which supportive services a) are provided on site or in the immediate area for occupants of the property, b) assist the occupants of the property in maintaining housing stability, c) assist the occupants of the property in achieving their goals in the areas of health, education, and employment, and d) are of a sufficient availability and intensity to meet the needs of the households that will be served;
- The owner's experience and track record of program compliance in providing housing units to tenant-based voucher recipients, project-based voucher recipients, and other federally subsidized supportive housing;
- Extent to which units (if proposal is for an existing property) are occupied by families that are eligible to participate in the PBV program;
- Preference shall be given to sites or structures owned or controlled by public agencies such as HASCO and non-profit agencies;
- If proposer is a current PBV housing provider, the average length of tenancy of that PBV housing provider's PBV tenants;
- If proposer is a current PBV housing provider, the extent to which the PBV housing provider engages in the practice of moving PBV tenants out of PBV units after 12 months of tenancy and leasing them up in other units at the PBV property;
- Other criteria will be listed in the RFP, such as appropriateness of the unit and location for the designated population.

HASCO Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

HASCO may from time to time 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.

HASCO may 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.

Owners must submit written proposals to HASCO for consideration. Proposals will be reviewed on a first-come first-served basis. HASCO will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers HASCO's goal of deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing or other affordable housing site, local initiatives to end homelessness, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

HASCO-Owned Units [24 CFR 983.51(e), 983.59, FR Notice 1/18/17, and Notice PIH 2017-21]

A HASCO-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 HASCO-owned units were appropriately selected based on the selection procedures specified in HASCO's administrative plan. This also applies to non-competitive selections. If HASCO selects a proposal for housing that is owned or controlled by HASCO, HASCO must identify the entity that will review HASCO's proposal selection process and perform specific functions with respect to rent determinations, the term of the HAP contract, and inspections.

In the case of HASCO-owned units, the term of the HAP contract and any HAP contract renewal must be agreed upon by HASCO and a HUD-approved independent entity. In addition, an independent entity must determine the initial rent to owner, the redetermined rent to owner, and reasonable rent. Housing quality standards inspections must also be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for HASCO jurisdiction (unless HASCO is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

HASCO Policy

HASCO may submit a proposal for project-based housing that is owned or controlled by HASCO. If the proposal for HASCO-owned housing is selected, HASCO will use a HUD-approved independent entity to review HASCO's selection process and to provide rent determinations, approve contract terms and conduct inspections for HASCO-owned housing that is assisted under the PBV program.

HASCO may only compensate the independent entity from HASCO ongoing administrative fee income (including amounts credited to the administrative fee reserve). HASCO may not use other program receipts to compensate the independent entity for its services. HASCO and independent entity may not charge the family any fee for the services provided by the independent entity.

HASCO Notice of Owner Selection [24 CFR 983.51(d)]

HASCO 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.

HASCO Policy

Within 10 business days of HASCO making the selection, HASCO will notify the selected owner in writing of the owner's selection for the PBV program. HASCO 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.

In addition, HASCO will post the notice of owner selection on its web site.

17-II.C. HOUSING TYPE [24 CFR 983.52]

HASCO 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 HASCO selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

HASCO must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. HASCO choice of housing type must be reflected in its solicitation for proposals.

17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS

Ineligible Housing Types [24 CFR 983.53]

HASCO may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, HASCO may not attach or pay PBV assistance for a unit occupied by an owner and HASCO 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. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program. Finally, PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

Subsidized Housing [24 CFR 983.54]

HASCO may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that HASCO may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or HASCO in accordance with HUD requirements.

17-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55, , NOTICE PIH 2013-11, AND FR NOTICE 2/28/20]

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.

HUD requires new construction and rehabilitation housing that will include forms of governmental assistance other than PBVs to undergo a subsidy layering review (SLR) prior to entering into an Agreement to Enter into Housing Assistance Payments Contract (AHAP). Subsidy layering requirements do not apply to existing housing when PBV is the only governmental assistance or for projects already subject to a PBV HAP contract, even if the project is recapitalized with outside sources of funding.

When HASCO selects a new construction or rehabilitation project, HASCO must require information regarding all HUD and/or other federal, state, or local governmental assistance to be disclosed by the project owner using Form HUD-2880. Appendix A of FR Notice 2/28/20 contains a list of all required documentation.

Either HUD or a HUD-approved housing credit agency (HCA) in HASCO's jurisdiction performs the subsidy layering review. HASCO must request an SLR through their local HUD Field Office or, if eligible, through a participating HCA.

If the SLR request is submitted to an approved HCA, and the proposed project-based voucher assistance meets HUD subsidy layering requirements, the HCA must submit a certification to HUD and notify HASCO. HASCO may proceed to execute an AHAP at that time if the environmental approval is received.

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.

17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT

25 Percent per Project Cap [24 CFR 983.56, FR Notice 1/18/17, and Notice PIH 2017-21]

In general, HASCO 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.

Exceptions to 25 Percent per Project Cap [FR Notice 1/18/17; Notice PIH 2017-21; FR Notice 1/24/22]

As of April 18, 2017, units are not counted against the 25 percent or 25-unit per project cap if:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
 - 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].

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services.

Under the Fostering Stable Housing Opportunities (FSHO) amendments, units exclusively made available to youth receiving FUPY/FYI assistance may be excepted from the project cap for HAP

contracts first effective after December 27, 2020. For more information on excepted units for FUPY, see [Chapter 18](#).

Projects where these caps were implemented prior to HOTMA (HAP contracts executed prior to April 18, 2017) or FSHO (contract in effect on or prior to December 27, 2020) may continue to use the former exceptions and may renew their HAP contracts under the old requirements, unless HASCO and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.

Supportive Services

HASCO must include in HASCO 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. As of April 18, 2017, 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, although the family must be eligible to receive the supportive services. 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 HASCO may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered.

HASCO Policy

Excepted units will be limited to units for elderly families.

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.

HASCO Policy

HASCO may allow up to 100% of the units in a project to be project-based if the units are subject to the per project cap exception.

Promoting Partially Assisted Projects [24 CFR 983.56(c)]

HASCO may establish local requirements designed to promote PBV assistance in partially assisted projects. A *partially assisted project* is a project in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

HASCO may establish a per-project cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily project containing excepted units or in a single-family building. HASCO may also determine not to provide PBV assistance for excepted units, or HASCO may establish a per-project cap of less than 25 units or 25 percent of units.

HASCO Policy

HASCO may allow up to 100% of the units in a project to be project-based, if the units above the cap are excepted units. If any of the units at the project qualify as excepted, the exception type(s) will be specified in the housing assistance payments contract between HASCO and the owner.

17-II.G. SITE SELECTION STANDARDS

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

HASCO 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 HASCO 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 HASCO administrative plan.

In addition, prior to selecting a proposal, HASCO 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).

HASCO Policy

It is HASCO's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal HASCO will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, HASCO may grant exceptions to the 20 percent standard where HASCO determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, Choice Neighborhood or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased because of public housing disposition or demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization because of state, local, or federal dollars invested in the area;

- 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;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

HASCO 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. The site must:

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

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:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless HASCO 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;
- 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.
- 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;

- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- 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
- 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.

17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]

HASCO 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.). HASCO 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.

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.

HASCO may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and HASCO, 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 is completed.

HASCO must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. HASCO 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.

PART III: DWELLING UNITS

17-III.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.

17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]

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, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

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, and 40 CFR 745.227, apply to the PBV program.

17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

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. HASCO 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.

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)

17-III.D. INSPECTING UNITS

Pre-selection Inspection [24 CFR 983.103(a)]

HASCO must examine the proposed site before the proposal selection date. If the units to be assisted already exist, HASCO must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, HASCO may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b) , FR Notice 1/18/17, and Notice PIH 2017-20]

HASCO must inspect each contract unit before execution of the HAP contract. HASCO may not provide assistance on behalf of the family until the unit fully complies with HQS, unless HASCO 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 an alternative inspection.

HASCO Policy

HASCO will not provide assistance on behalf of the family until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]

Before providing assistance to a new family in a contract unit, HASCO must inspect the unit. HASCO may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual/Biennial Inspections [24 CFR 983.103(d); FR Notice 6/25/14]

At least once every 24 months during the term of the HAP contract, HASCO 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 inspection requirement. HASCO also has the option in certain mixed finance properties to rely on alternative inspections conducted at least triennially.

HASCO Policy

HASCO or, in the case of HASCO-owned units, the independent entity approved by HUD, will inspect a random sample of at least 20 percent of the contract units in each building, not less than biennially, not including turnover inspections

If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, HASCO must reinspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]

HASCO must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. HASCO must take into account complaints and any other information coming to its attention in scheduling inspections.

HASCO must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting HASCO supervisory quality control HQS inspections, HASCO should include a representative sample of both tenant-based and project-based units.

Inspecting HASCO-Owned Units [24 CFR 983.103(f)]

In the case of HASCO-owned units, the inspections must be performed by an independent entity designated by HASCO and approved by HUD. The independent entity must furnish a copy of each inspection report to HASCO and to the HUD field office where the project is located. HASCO must take all necessary actions in response to inspection reports from the independent entity, including exercise of contractual remedies for violation of the HAP contract by HASCO-owner.

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

17-IV.A. OVERVIEW [24 CFR 983.151]

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.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, HASCO 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(b)]. HASCO may not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission [24 CFR 983.152(c)]. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and HASCO agrees that upon timely completion of such development in accordance with the terms of the Agreement, HASCO will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(a)].

Content of the Agreement [24 CFR 983.152(d)]

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- 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;
- 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;
- Estimated initial rents to owner for the contract units;
- 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 HASCO, specifications and plans. For new construction units, the description must include the working drawings and specifications.

- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153]

The Agreement must be executed promptly after HASCO notice of proposal selection to the selected owner. HASCO may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, HASCO may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, HASCO may not enter into the Agreement until the environmental review is completed and HASCO has received environmental approval. However, HASCO does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

HASCO Policy

HASCO will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

17-IV.C. CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]

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.

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. HASCO must monitor compliance with labor standards.

Owner Disclosure [24 CFR 983.154(d) and (e)]

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.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

17-IV.D. COMPLETION OF HOUSING

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. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to HASCO in the form and manner required by HASCO:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At HASCO's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

HASCO Policy

HASCO 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. HASCO will specify any additional documentation requirements in the Agreement to enter into HAP contract.

HASCO Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, HASCO 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. HASCO must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, HASCO must not enter into the HAP contract.

If HASCO determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, HASCO must submit the HAP contract for execution by the owner and must then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

17-V.A. OVERVIEW

HASCO 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. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract must be in the form required by HUD [24 CFR 983.202(a)].

17-V.B. HAP CONTRACT REQUIREMENTS

Contract Information [24 CFR 983.203]

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- 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;
- 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;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- 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;
- 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;
- The HAP contract term;
- 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 (elderly and/or disabled families and families receiving supportive services); and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract [24 CFR 983.204]

HASCO may not enter into a HAP contract until each contract unit has been inspected and HASCO has determined that the unit complies with the Housing Quality Standards (HQS), unless HASCO 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. For existing housing, the HAP contract must be executed promptly after HASCO selects the owner proposal and inspects the

housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after HASCO has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

HASCO Policy

For existing housing, the HAP contract will be executed within 10 business days of HASCO determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of HASCO determining 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.

Term of HAP Contract [24 CFR 983.205, FR Notice 1/18/17, and Notice PIH 2017-21]

HASCO may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 20 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 20 years. In the case of HASCO-owned units, the term of the HAP contract must be agreed upon by HASCO and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

HASCO Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At the time of the initial HAP contract term or any time before expiration of the HAP contract, HASCO may extend the term of the contract for an additional term of up to 20 years if HASCO determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 20 years. HASCO 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 HASCO 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. 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. In the case of HASCO-owned units, any extension of the term of the HAP contract must be agreed upon by HASCO and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

HASCO Policy

When determining whether to extend an expiring PBV contract or reduce the number of PBV contract units, HASCO will consider several factors including, but not limited to:

- Whether the PBV subsidy is necessary for project operations and/or to meet capital funding restrictions;
- Whether the property has a history of underutilization of PBV units;
- Whether the property has a history of high termination rates of PBV tenants at that property, both during participation in the PBV program and subsequently on the HCV program, if applicable;
- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- The availability of services funding to continue providing supportive services to families living in excepted units, where receipt of supportive services is a condition of receiving PBV assistance;
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

Termination by HASCO [24 CFR 983.205(c) and FR Notice 1/18/17]

The HAP contract must provide that the term of HASCO's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by HASCO 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.

In times of insufficient funding, HUD requires that HASCO first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts.

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, HASCO may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

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 HASCO. In this case, families living in the contract units must be offered tenant-based assistance.

Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206, FR Notice 1/18/17, and Notice PIH 2017-21]

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify HASCO and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. 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. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

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. HASCO must provide the family with a voucher and the family must also be given the option by HASCO and 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 must 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. 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 HASCO HCV tenant-based program and are not subject to income eligibility requirements or any other admission requirements. 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.

Remedies for HQS Violations [24 CFR 983.208(b)]

HASCO 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. If HASCO determines that a contract does not comply with HQS, HASCO may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

HASCO Policy

HASCO will abate and terminate PBV HAP contracts for owner-caused non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in [Section 8-II.G.](#), Enforcing Owner Compliance.

17-V.C. AMENDMENTS TO THE HAP CONTRACT

Substitution of Contract Units [24 CFR 983.207(a)]

At HASCO'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 project for a previously covered contract unit. Before any such substitution can take place, HASCO must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [FR Notice 1/18/17 and Notice PIH 2017-21]

HASCO and 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. The additional PBV units, however, are still subject to the PBV program cap and individual project caps. Prior to attaching additional units without competition, HASCO must submit to the local field office information outlined in FR Notice 1/18/17. HASCO must also detail in the administrative plan their intent to add PBV units and the rationale for adding units to the specific PBV project.

HASCO Policy

HASCO will consider adding contract units to the HAP contract on a case by case basis. Rationale for approving the addition of a unit to a HAP contract includes, but is not limited to, a unit that is no longer occupied by a resident manager, a unit that was previously occupied by a housing choice voucher holder where the original intent was for the unit to receive project-based assistance, and a unit that was previously removed from the HAP contract because the occupant no longer income qualified for the program.

17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.207(B) AND 983.302(E)]

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.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary 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.

17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP CONTRACT [24 CFR 983.210]

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by HASCO, and the lease is in accordance with the HAP contract and HUD requirements;
- 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;
- 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;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- 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;
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

17-V.F. ADDITIONAL HAP REQUIREMENTS

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.208(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 HASCO 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.

HASCO 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.

HASCO Policy

HASCO will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. HASCO will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments [24 CFR 983.352(b)]

At the discretion of HASCO, the HAP contract may provide for vacancy payments to the owner for a HASCO-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 HASCO 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).

HASCO Policy

HASCO will not provide vacancy payments to any owners.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

17-VI.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.

17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(A) AND (B)]

HASCO may select families for the PBV program from those who are participants in HASCO'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.

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 HASCO, 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 HASCO's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. HASCO may also not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

HASCO Policy

HASCO will determine an applicant family's eligibility for the PBV program in accordance with the policies in [Chapter 3](#).

In-Place Families [24 CFR 983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by HASCO 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 HASCO's waiting list. Once the family's continued eligibility is determined (HASCO 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 HASCO 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.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(C)]

HASCO may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and project-based assistance. HASCO may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by HASCO. If HASCO chooses to offer a separate waiting list for PBV assistance, HASCO must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If HASCO decides to establish a separate PBV waiting list, HASCO may use a single waiting list for HASCO'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.

HASCO Policy

All applicants on the regular tenant-based assistance wait list are permitted to apply for project-based housing, if they meet the qualifications for the PBV project (e.g., elderly, disabled) and qualify for the appropriate bedroom size. Depending on the specific complex, the family may be required to qualify as an elderly or disabled family. (see section [4-II.B. ORGANIZATION OF THE WAITING LIST \[24 CFR 982.204 and 205\]](#))

PBV owners will refer prospective project-based participants who meet the eligibility requirements for the specific property to HASCO. Once a referral comes in, if the family is not already on the HASCO waiting list, the family will be placed on the HASCO waiting list. The family will move to the top of the HASCO waiting list and be assisted immediately with PBV assistance based on the local preference (see section [4-III.C. SELECTION METHOD](#)).

17-VI.D. SELECTION FROM THE WAITING LIST [24 CFR 983.251(C)]

Applicants who will occupy units with PBV assistance must be selected from HASCO's waiting list. HASCO may establish selection criteria or preferences for occupancy of particular PBV units. HASCO may place families referred by the PBV owner on its PBV waiting list.

HASCO Policy

Tenants for project-based units will be selected from the HASCO waiting list as described in section [4-III.C. SELECTION METHOD](#).

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to HASCO's tenant-based and project-based voucher programs during the HASCO 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.

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, HASCO must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(d), FR Notice 11/24/08]

HASCO 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. HASCO must provide an absolute selection preference for eligible in-place families as described in [Section 17-VI.B.](#) above.

HASCO 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 HASCO's plan. HASCO may not, however, grant a preference to a person with a specific disability [FR Notice 1/18/17].

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.

If HASCO has projects with "excepted units" for elderly families or supportive services, HASCO must give preference to such families when referring families to these units [24 CFR 983.261(b); FR Notice 1/18/17].

HASCO Policy

HASCO will provide a selection preference when required by the regulation (e.g., eligible in-place families, elderly families or units with supportive services, or mobility impaired persons for accessible units). HASCO will not offer any additional preferences for the PBV program or for particular PBV projects or units.

17-VI.E. OFFER OF PBV ASSISTANCE

Refusal of Offer [24 CFR 983.251(e)(3)]

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

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under HASCO's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

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.

Acceptance of Offer [24 CFR 983.252]***Family Briefing***

When a family accepts an offer for PBV assistance, HASCO 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. In addition to the oral briefing, HASCO must provide a briefing packet that explains how HASCO determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, HASCO 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](#)). In addition, HASCO must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

HASCO 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](#)).

17-VI.F. OWNER SELECTION OF TENANTS

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)].

Leasing [24 CFR 983.253(a)]

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by HASCO from HASCO's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on HASCO's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]

The owner must promptly notify HASCO of any vacancy or expected vacancy in a contract unit. After receiving such notice, HASCO must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. HASCO and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

HASCO Policy

The owner must promptly notify HASCO in writing by mail, fax, email, or in person or by phone within five business days of learning about any vacancy or expected vacancy.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

If any contract units have been vacant for 120 or more calendar days since owner notice of the vacancy, HASCO 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.

HASCO Policy

If any contract units have been vacant for 120 calendar days, HASCO may 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. If HASCO chooses to do so, HASCO will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of HASCO's notice.

17-VI.G. TENANT SCREENING [24 CFR 983.255]

HASCO Responsibility

HASCO is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, HASCO may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

HASCO Policy

HASCO will not conduct screening to determine a PBV applicant family's suitability for tenancy.

HASCO must provide the owner with an applicant family's current and prior address (as shown in HASCO records) and the name and address (if known by HASCO) of the family's current landlord and any prior landlords.

In addition, HASCO may offer the owner other information HASCO may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. HASCO must provide applicant families a description of HASCO policy on providing information to owners, and HASCO must give the same types of information to all owners.

HASCO 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)].

HASCO Policy

HASCO 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. HASCO will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. The owner should use their standard screening criteria to determine suitability for tenancy, and observe all requirements in this area as directed in the signed HAP contract.

PART VII: OCCUPANCY

17-VII.A. OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by HASCO, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

17-VII.B. LEASE [24 CFR 983.256]

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.

Form of Lease [24 CFR 983.256(b)]

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

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 a HASCO model lease.

HASCO may review the owner's lease form to determine if the lease complies with state and local law. If HASCO determines that the lease does not comply with state or local law, HASCO may decline to approve the tenancy.

HASCO Policy

HASCO will not review the owner's lease for compliance with state or local law.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]

The tenancy addendum in the lease must state:

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

Initial Term and Lease Renewal [24 CFR 983.256(f)]

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

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

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give HASCO a copy of all changes.

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

Owner Termination of Tenancy [24 CFR 983.257]

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-III.B.](#) and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by HASCO policy. According to program requirements, the

family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days. HASCO termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

Continuation of Housing Assistance Payments [24 CFR 982.258]

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 calendar days following the date of the last housing assistance payment by HASCO. After the 180-calendar day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

HASCO Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify HASCO of the change and request an interim reexamination before the expiration of the 180-calendar day period.

Security Deposits [24 CFR 983.259]

The owner may collect a security deposit from the tenant. HASCO may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

HASCO Policy

HASCO will require that the security deposit is not more than what the landlord charges to unassisted tenants. If the landlord would like to collect last month's rent from the tenant, the landlord may increase the security deposit by that amount, if the tenant agrees.

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.

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.

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. HASCO has no liability or responsibility for payment of any amount owed by the family to the owner.

17-VII.C. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]

If HASCO determines that a family is occupying a wrong size unit, based on HASCO'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, HASCO must promptly notify the family and the owner of this determination, and HASCO must offer the family the opportunity to receive continued housing assistance in another unit.

HASCO Policy

Once HASCO determines that the family is occupying a wrong size unit, HASCO will notify the family and the owner of the determination within 10 business days. For an accessible unit occupied by a family that does not need the accessibility features, once the owner determines that a family on the wait list needs the unit with accessibility features, the owner will notify the current occupant and HASCO of the determination within 10 business days. This notice will inform the family that they will be offered continued assistance. HASCO may offer the family the following types of continued assistance and will work with the family and owner to determine which type of assistance is most appropriate based on family need and the availability of assistance:

- PBV assistance in the same project;
- PBV assistance in another project; and
- Tenant-based voucher assistance, if the tenant has been in the unit at least 12 months.

The family will have 10 business days from the date of the notification to decide which type of continued assistance they selected. PBV assistance in the same project or another project will not be considered "available" if the owner does not reasonably believe that an appropriately-sized unit for the family will come available within 180 calendar days of the determination.

If HASCO issues the family a tenant-based voucher, HASCO must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by HASCO) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, HASCO must remove the unit from the HAP contract.

If HASCO 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 HASCO, or both, HASCO must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by HASCO and remove the unit from the HAP contract.

HASCO Policy

When HASCO, family and owner have determined that continued assistance in another PBV unit is most appropriate, the family will be given 30 calendar days from the date the unit is available for occupancy to move out of the current PBV unit and into the new unit. If the family does not move out within this 30-calendar day time frame, HASCO will terminate the housing assistance payments at the expiration of this 30-calendar day period.

HASCO may make exceptions to this 30-calendar day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move [24 CFR 983.261]

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 HASCO. If the family wishes to move with continued tenant-based assistance, the family must contact HASCO to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, HASCO 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, HASCO must give the family priority to receive the next available opportunity for continued tenant-based assistance. If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Emergency Transfers under VAWA [Notice PIH 2017-08]

Except where special consideration is needed for the project-based voucher program, HASCO will follow VAWA policies as outlined in [Chapter 16 Part IX](#) of this administrative plan, including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA ([Exhibit 16-4](#)).

HUD requires that HASCO include policies that address when a victim has been living in a unit for less than a year or when a victim seeks to move sooner than a tenant-based voucher is available.

HASCO Policy

When the victim of domestic violence, dating violence, sexual assault, or stalking has lived in the unit for less than one year, HASCO will provide several options for continued assistance.

- HASCO will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where HASCO has PBV units. HASCO will expedite the administrative processes in this case to conduct the transfer as quickly as possible.

- If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to tenant-based rental assistance (HCV). Such families must be selected from the HCV waiting list. HASCO has adopted a HCV waiting list preference for PBV households that have lived in their units for less than one year and are victims of domestic violence, dating violence, sexual assault, and stalking. See [Section 4-III.C](#) of this administrative plan.

If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, HASCO will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where HASCO has PBV units. HASCO will expedite the administrative processes in this case to conduct the transfer as quickly as possible.

17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.262]

As of April 17, 2018, HASCO 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:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project

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].

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 HASCO 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. 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 the supportive services, the family must vacate the unit within a reasonable period of time established by HASCO, and HASCO shall cease paying HAP on behalf of the family.

Further, when a family (or remaining members of a family) residing in an excepted unit 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, HASCO has the discretion to allow the family to remain in the excepted unit. If HASCO does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by HASCO, and HASCO must cease paying housing assistance payments on behalf of the non-qualifying family.

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.

HASCO or owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require that individuals be transitioned to different projects based on service needs.

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 HASCO.

HASCO may allow a family that initially qualified for occupancy of an excepted unit based on elderly or disabled family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly or disabled family member or long-term or permanent hospitalization or nursing care), the elderly or disabled 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.

HASCO Policy

HASCO will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, HASCO will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 calendar days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-calendar day time frame, HASCO will terminate the housing assistance payments at the expiration of this 30-calendar day period.

HASCO may make exceptions to this 30-calendar day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

PART VIII: DETERMINING RENT TO OWNER

17-VIII.A. OVERVIEW

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.

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 ten percent or greater decrease in the published FMR.

17-VIII.B. RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by HASCO, 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;
- The reasonable rent; or
- The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c)]

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard;

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

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

Definitions

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.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Reasonable Rent [24 CFR 983.301(e) and 983.302(c)(2)]

HASCO must determine reasonable rent in accordance with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where HASCO has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordance with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant

If HASCO has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

HASCO Policy

HASCO will elect within the HAP contract not to reduce rents below the initial level, except for circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, HASCO will use the higher initial rent to owner amount.

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

When determining the initial rent to owner, HASCO must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, HASCO must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, HASCO may for initial rent, use the amounts in effect at any time during the 30-calendar day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-calendar day period immediately before the redetermination date.

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.

Likewise, HASCO 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.

HASCO Policy

Upon written request by the owner, HASCO will consider using the FMR or utility allowances in effect during the 30-calendar 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. HASCO will review and decide based on the circumstances and merit of each request.

In addition to considering a written request from an owner, HASCO may decide to use the FMR or utility allowances in effect during the 30-calendar day period before the start date of the HAP, or redetermination of rent, if HASCO determines it is necessary due to HASCO budgetary constraints.

Use of Small Area FMRs (SAFMRs) [24 CFR 888.113(h)]

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. If HASCO adopts this policy, it must apply to all future PBV projects and HASCO's entire jurisdiction. HASCO and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if HASCO subsequently changes its policy.

Further, HASCO may apply SAFMRs to current PBV projects where the notice of owner selection was made on or before the effective date of HASCO implementation, provided the owner is willing to mutually agree to doing so and the application is prospective. HASCO and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if HASCO 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.

HASCO Policy

HASCO will not apply SAFMRs to HASCO's PBV program.

Redetermination of Rent [24 CFR 983.302]

HASCO must redetermine the rent to owner upon the owner's request or when there is a ten percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from HASCO, it must be requested at the annual anniversary of the HAP contract (see [Section 17-V.D.](#)). The request must be in writing and in the form and manner required by HASCO. HASCO 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).

HASCO Policy

An owner's request for a rent increase must be submitted to HASCO 60 calendar days prior to the anniversary date of the HAP contract. It must include the new rent amount the owner is proposing and other information requested by HASCO to determine the reasonable rent.

HASCO 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.

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, except where HASCO has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

Notice of Rent Change

The rent to owner is redetermined by written notice by HASCO to the owner specifying the amount of the redetermined rent. HASCO 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.

HASCO Policy

HASCO will provide the owner with at least 30 calendar days' written notice of any change in the amount of rent to owner.

HASCO-Owned Units [24 CFR 983.301(g)]

For HASCO-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. HASCO must use the rent to owner established by the independent entity.

17-VIII.C. REASONABLE RENT [24 CFR 983.303]

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 HASCO, except where HASCO has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

When Rent Reasonable Determinations Are Required

HASCO must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a ten percent or greater decrease in the published FMR in effect 60 calendar 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;

- HASCO approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building or project; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

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, HASCO 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.

Comparability Analysis

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. 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 HASCO. The comparability analysis may be performed by HASCO staff or by another qualified person or entity. 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.

HASCO-Owned Units

For HASCO-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for HASCO-owned units to HASCO and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent

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. At any time, HASCO may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in [Section 17-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 17-II.D](#)).

Other Subsidy [24 CFR 983.304]

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, HASCO shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.

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

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

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

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.

PART IX: PAYMENTS TO OWNER

17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

During the term of the HAP contract, HASCO 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 HASCO agree on a later date.

Except for discretionary vacancy payments, HASCO 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).

The amount of the housing assistance payment by HASCO is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]

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 HASCO determines that the vacancy is the owner's fault.

HASCO Policy

If HASCO determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, HASCO will notify the landlord of the amount of housing assistance payment that the owner must repay. HASCO will require the owner to repay the amount owed in accordance with the policies in [Section 16-IV.B.](#)

At the discretion of HASCO, the HAP contract may provide for vacancy payments to the owner. HASCO may only make vacancy payments if:

- The owner gives HASCO 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);
- 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;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by HASCO to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by HASCO and must provide any information or substantiation required by HASCO to determine the amount of any vacancy payment.

HASCO Policy

HASCO will not provide vacancy payments to any owners.

17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by HASCO in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in HASCO notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by HASCO 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 HASCO. The owner must immediately return any excess payment to the tenant.

Tenant and HASCO Responsibilities

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 HASCO.

Likewise, HASCO is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. HASCO is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. HASCO 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.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, HASCO 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.

HASCO may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If HASCO chooses to pay the utility supplier directly, HASCO must notify the family of the amount paid to the utility supplier.

HASCO Policy

HASCO will make utility reimbursements to the family.

17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]

Meals and Supportive Services

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.

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.

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.

HASCO Policy

HASCO will follow the policy in [Chapter 9](#).

EXHIBIT 17-1: PBV DEVELOPMENT INFORMATION

(Fill out one for each development)

Date: [Enter the date on which this form was completed]

DEVELOPMENT INFORMATION

Development Name: [Insert name of PBV development]

Address: [Insert full address of PBV development]

Owner Information: [Insert PBV development owner name and contact information. If development is PHA-owned, enter "PHA-owned."]

Property Management Company: [Insert property management company name and contact information, or enter "None"]

PHA-Owned: [Enter "Yes" or "No." If yes, enter name of independent entity]

Mixed Finance Development: [Enter "Yes" or "No." If yes, list other types of funding (i.e. LIHTC, HOME, etc.) and units to which other funding applies.]

HAP CONTRACT

Effective Date of Contract: [Enter start date of HAP contract]

HOTMA Requirements: [If HAP contract was signed prior to April 18, 2017, enter "Pre-HOTMA." If HAP contract was signed on or after April 18, 2017, enter "Post-HOTMA."]

Term of HAP Contract: [Enter term from HAP contract]

Expiration Date of Contract: [Enter expiration date from HAP contract]

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units							
Initial Contract Rent	\$	\$	\$	\$	\$	\$	

Structure Type: [Identify the structure type, i.e. Single Family Detached, Duplex or Two Family, Row House or Town House, Low Rise (3,4 Stories, including Garden Apartment), Highrise (5 or more stories)]

Housing Type: [Identify if the units are an Independent Group Residence or Single Room Occupancy]

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric		Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Air Conditioning		Tenant	Owner
Refrigerator			
Range/Microwave			
Other (specify)			

Accessible Units and Features: [Identify which units are accessible and describe accessibility features or enter "None"]

Target Population: [Describe targeted population in accordance with HAP contract or enter "None"]

Excepted Units: [Identify excepted unit types below or enter "None"]

Supportive Services: [Enter "Yes, see Exhibit D of HAP Contract" or enter "No"]

Elderly Units: [Enter "Yes" or "No." If yes, identify which units are elderly units.]

Disabled Units (only for HAP contracts executed prior to April 18, 2017) [Enter "Yes" or "No." If yes, identify which units are for persons with disabilities.]

FUPY/FYI Units: [Enter "Yes" or "No." If yes, identify which units are FUP units]

Are units excepted because they are located in a low-poverty census tract area?: [Enter "Yes" or "No"]

WAITING LIST AND SELECTION

Waiting List Type: [Enter "Site-based waiting list," "Combined with HCV," "Waiting list for entire PBV program," or "Merged with another assisted housing program"]

Preferences: [Enter "Same as HCV; see Chapter 7" or describe preferences offered. If different from HCV, also note in Section 17.1.B of this policy.]

Preference Verification: [Enter "Same as HCV; see Chapter 4" or describe for each preference listed above. If different from HCV, note in Section 17.1.B of this policy.]

For the PBV program, is the income limit the same as the HCV program? (Note: In mixed finance developments, other income limits may also apply.) [Enter “Same as HCV; see Chapter 3” or clearly describe. If different from HCV, note in Section 17.1.B of this policy.]

OCCUPANCY

Subsidy Standards: [Enter “Same as HCV; see Chapter 5” or describe. If different from HCV, note in Section 17.1.B of this policy]

Vacancy Payments: [Enter in accordance with HAP contract Part 1, e, 2 and Section 17-V.F. within this chapter]

EXHIBIT 17-1a: AVONDALE PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Avondale
Address: 12709 Avondale Way, Everett, WA 98204
Owner Information: Housing Hope – South Everett Property Manager
(425) 353-7043, SouthEverettPM@housinghope.org
Property Management Company: None
PHA-Owned: No
Mixed Finance Development: Yes, LIHTC, Bond, Home

HAP CONTRACT

Effective Date of Contract: 6/1/2014
HOTMA Requirements: Pre-HOTMA, signed before April 18, 2017
Term of HAP Contract: 1 year
Expiration Date of Contract: 05/31/2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			6	8			14
Initial Contract Rent			\$ 975	\$ 1250			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: A107, C101 – wider hallways, accessible stove and dishwasher

Target Population: Families

Excepted Units: no

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1b: CLARES PLACE PBV DEVELOPMENT INFORMATION

Date: 10/01/2020

DEVELOPMENT INFORMATION

Development Name: Clare's Place

Address: 6200 12th Drive SE, Everett, WA 98203

Owner Information: Berkshire Housing LLC

Property Management Company: Catholic Housing Services - Ana Gregory: Area Director of Property Operations 425-328-5205 AnaG@ccsww.org

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 09/26/2019

HOTMA Requirements: Post-HOTMA signed after April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 08/30/2034

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units	4	1					5
Initial Contract Rent	\$990	\$ 1,150					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Owner	Owner
Cooking	Electric	Owner	Owner
Water Heating	Electric	Owner	Owner
Other Electric	Electric	Owner	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Unit #416 meets type 'A' accessibility requirements.

- Accessible routes per requirements
- Tub/Shower enclosure includes the required grab bars
- Water Closet includes the required grab bars
- Required clear floor spaces provided
- Sinks and counters are at the required reach ranges
- Kitchens include a 30" clear work surface and removable cabinet
- Accessories (towel bars, robe hooks, shelving) are at required mounting heights.
- Windows have operable parts that comply with requirements

Target Population: Homeless and Vulnerable Veterans

Excepted Units: Yes

Supportive Services: Yes, all units

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: The applicant is referred by an owner for a project-based voucher assisted unit.

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No, Extremely Low, 30% median income

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1c: CRAIGMONT PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Craigmont

Address: 1603 E. Lakeshore Drive, Lake Stevens, WA 98258

Owner Information: HASCO – Stephanie Keimig, Asset Manager
(425) 290-8499, skeimig@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent entity: YWCA

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 05/01/2014

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 04/30/2029

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		36					36
Initial Contract Rent		\$ 650					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Substantially accessible units: 1, 6, 12, and 25. Unit 25 also had some modifications made as a reasonable accommodation for a tenant. The Community Room and Laundry Room are accessible to people with disabilities.

Target Population: Senior/disabled

Excepted Units: Yes

Supportive Services: None

Elderly Units: Yes, All

Disabled Units: Yes, All

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: The applicant is referred by an owner for a project-based voucher assisted unit.

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1d: EAST TERRACE II PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: East Terrace II

Address: 4231 – 214th St, SW Mountlake Terrace, WA 98043

Owner Information: HASCO – Kristen Whittaker, Asset Manager
(425) 290-8499, kwhittaker@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 4/11/2008

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 03/31/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			2				2
Initial Contract Rent			\$ 980				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Units 4231 #A/#B:

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Gas	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Gas	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

All other units:

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Units 4231 A&B Meet ADA standards. Property meets accessibility requirements; laundry facilities are accessible to people with disabilities.

Target Population: Disabled

Excepted Units: Yes

Supportive Services: No

Elderly Units: No

Disabled Units: Yes, all units

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Disabled

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1e: EAST TERRACE III PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: East Terrace III

Address: 4209 – 214th St, SW Mountlake Terrace, WA 98043

Owner Information: HASCO – Kristen Whittaker, Asset Manager
(425) 290-8499, kwhittaker@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: Yes, State HTF, County AHTF, HOME

HAP CONTRACT

Effective Date of Contract: 04/11/2008

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 03/31/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			12				12
Initial Contract Rent			\$ 875				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Meets ADA requirements Property meets accessibility requirements; laundry facilities are accessible to people with disabilities.

Target Population: Homeless Families with Children

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Homeless Families with Children

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No, Extremely Low
Income, 30% of median income

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1f: FAIRVIEW PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Fairview 1 & 2

Address: 14624 – 179th Ave SE, Monroe, WA 98272

Owner Information: Housing Hope – Crystal Simpson - Supervisor
CrystalSimpson@housinghope.org

Property Management Company: Eve Duggan – Property Manager
EveDuggan@housinghope.org

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 05/01/2017

HOTMA Requirements: Post-HOTMA signed after April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 04/30/2027

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			27				27
Initial Contract Rent			\$ 1,100				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 2 units meet ADA requirements; Unit numbers are not listed in Exhibit D. Laundry rooms, community center, play areas, walk ways, trash closure, parking and mailboxes are accessible to people with disabilities

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1g: FAMILY VILLAGE EVERETT PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: YWCA Family Village Everett

Address: 11802 – 4th Ave W, Everett, WA

Owner Information: YWCA – Kim French, Manager, kfrench@ywca.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: Yes, Permanent Tax-Exempt Bonds, LIHTC, Deferred Developer Fee, Loans & Subordinate Financing

HAP CONTRACT

Effective Date of Contract: 04/01/2014

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 4 years

Expiration Date of Contract: 02/28/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			23				23
Initial Contract Rent			\$ 1000				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Owner	Owner
Cooking	Electric	Owner	Owner
Water Heating	Electric	Owner	Owner
Other Electric	Electric	Owner	Owner
Water		Tenant	Owner
Sewer		Tenant	Owner
Trash Collection		Tenant	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 2 units meet ADA requirements: B107 and C112

Target Population: Families

Excepted Units: No

Supportive Services: No, per Amendment 1 dated 11/12/2015 that removed the designation of families receiving supportive services for all units

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1h: HOPEWORKS STATION II – STATION PLACE

Date: 10/01/2020

DEVELOPMENT INFORMATION

Development Name: HopeWorks Station II- Station Place

Address: 3315 Broadway, Everett WA 98201

Owner Information: HopeWorks Station Residential, LLP: 425-610-4931

ContactHW@hopewrks.org

Property Management Company: Housing Hope- NorthEverettPM@housinghope.org

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 11/07/2019

HOTMA Requirements: Post-HOTMA

Term of HAP Contract: 15 years

Expiration Date of Contract: 10/31/2034

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units	5	5					10
Initial Contract Rent	\$999	\$1117					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Station Place was built in September 2019 and complies with accessibility requirements in place at that time. The laundry rooms, community center, amenity rooms/areas, walkways, trash enclosures, parking and mailboxes are all accessible to people with disabilities.

Target Population: homeless and vulnerable veterans

Excepted Units: Yes

Supportive Services: Yes- 213, 217, 222, 304, 307, 309, 315, 402, 410, 420

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV

Preferences: The veteran applicant is referred by an owner for a project-based voucher-assisted unit.

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No, Extremely Low, 30% median income

OCCUPANCY

Subsidy Standards: See 5.11.B

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1i: LINCOLN HILL PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Lincoln Hill Village

Address: 27522 72nd Ave NW, Stanwood, WA 98292

Owner Information: Housing Hope, - Janet Rainwater, Manager
360-572-4046, janetRainwater@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: December 1, 2013

HOTMA Requirements: Pre-HOTMA signed before April 18, 2019

Term of HAP Contract: Five years

Expiration Date of Contract: July 31, 2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			15	9			24
Initial Contract Rent			\$925	\$1145			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: There are 2 units that are accessible in accordance with Section 504 requirements, and 7 IBC Type B accessible units; Unit numbers are not listed in the contract. Walkways, community room, laundry room, sports court and playground are compliant with Section 504 requirements.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1j: LINCOLN WAY II PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Lincoln Way II

Address: 2721 Lincoln Way, Lynnwood, WA 98087

Owner Information: Mercy Housing, - Cindy Tapuro, Manager
425-741-1296, ctapuro@mercyhousing.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: LIHTC

HAP CONTRACT

Effective Date of Contract: July 1, 2001

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 10 Years

Expiration Date of Contract: June 30, 2025

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			7	7			14
Initial Contract Rent			\$841	\$1030			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 3 units are accessible in accordance with Sec 504 requirements: E202, E203, G103. Laundry facilities accessible to people with disabilities.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1k: MAPLE LEAF MEADOWS PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Maple Leaf Meadows

Address: 3010-3024 188th St NE Arlington, WA 98223

Owner Information: Housing Hope - Janet Rainwater
(360) 654-8224, JanetRainwater@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: April 1, 2017

HOTMA Requirements: Pre-HOTMA signed before April 18, 2019

Term of HAP Contract: 5 years

Expiration Date of Contract: March 31, 2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			2	13			15
Initial Contract Rent	\$	\$	\$804	\$904	\$	\$	

Structure Type: 1 Single Family Home, 12 town house, 2 low rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Two units are accessible in accordance with Section 504 requirements. In addition, the community room, playground, and laundry facilities are accessible to people with disabilities.

Target Population: Families

Excepted Units: All

Supportive Services: Yes, see Exhibit D of HAP Contract

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1I: MEADOWDALE PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Meadowdale Apartments

Address: 4811 to 5011 168th St SW, Lynnwood, WA 98037

Owner Information: Low Income Housing Institute - Carol Pearce, Manager
425-742-6860, cpearce@lihi.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: Commerce, HOME, Bond, AHTF

HAP CONTRACT

Effective Date of Contract: June 1, 2005

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: May 31, 2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			10	3			13
Initial Contract Rent			\$750	\$920			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Tenant	Owner
Sewer		Tenant	Owner
Trash Collection		Tenant	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Six units meet Section 504 requirements; Unit numbers are not listed in the contract. The building was built in 1987 met requirements at the time construction. The office and mailbox areas are wheelchair accessible.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1m: MONROE FAMILY VILLAGE PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Monroe Family Village

Address: 17428 West Main Street, Monroe, WA 98272

Owner Information: Housing Hope - Gage Lorenzo, Manager, 360-217-7916,
EastCountyPM@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: LIHTC, Bond, AHTF, HOME, Department of Commerce HGF

HAP CONTRACT

Effective Date of Contract: September 1, 2015

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: August 31, 2025

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			17	7			24
Initial Contract Rent			\$1050	\$1350			

Structure Type: 5 townhouse, 19 Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Units B102, C102, D102, E102 are accessible: Lowered counters, visible alarms, grab bars in bathroom.

Target Population: Families

Excepted Units: No

Supportive Services: No, per Amendment 1 dated 8/1/2017 that removed the designation of families receiving supportive services for the 7 units that previously had supportive services required

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1n: OLYMPIC VIEW PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Olympic View

Address: 303 Howell Way, Edmonds, WA

Owner Information: HASCO – Mindy Wilson, Portfolio Manager

Property Management Company: Allied Residential. Property Manager; Maria Soriano
(425) 776-3738, olympicviewsoundview@alliedresidential.com

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: LIHTC, State HTF, County AHTF, Bond

HAP CONTRACT

Effective Date of Contract: March 1, 2012

HOTMA Requirements: Pre-HOTMA signed before April 18, 2019

Term of HAP Contract: 15 years

Expiration Date of Contract: December 31, 2029

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		44					44
Initial Contract Rent		\$929					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Units 208, 210, 212, 214 are accessible: Open kitchens, wide bedroom doors

Target Population: Seniors

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1o: ROBIN PARK PBV DEVELOPMENT INFORMATION

Date: October 14, 2020

DEVELOPMENT INFORMATION

Development Name: Robin Park

Address: 19701 48th Ave W, Lynnwood, WA 98036

Owner Information: HASCO – Kristen Whittaker

Tel: (425) 290-8499, kwhittaker@hasco.org

Property Management Company: None

PHA-Owned: Yes

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: June 1, 2015

HOTMA Requirements: Pre-HOTMA signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: June 30, 2030

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		30					30
Initial Contract Rent		\$750					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Units 105, 205, 305 are accessible

Target Population: Elderly, Disabled

Excepted Units: Yes

Supportive Services: No

Elderly Units: Yes, all elderly or disabled

Disabled Units: Yes, all elderly or disabled

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly, disabled

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1p: SEBASTIAN PLACE PBV DEVELOPMENT INFORMATION

Date: 10/01/2020

DEVELOPMENT INFORMATION

Development Name: Sebastian Place

Address: 1925 196th Street SW, Lynnwood WA

Owner Information: Catholic Community Services

Property Management Company: Catholic Housing Services. Area Director of Property

Operations: Anna Gregory 425-328-5205 AnaG@ccsww.org

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 08/01/2016

HOTMA Requirements: Pre-HOTMA – Contract signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 07/31/2031

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		20					20
Initial Contract Rent		\$ 758					

Structure Type: 2 duplex, 18 Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Sebastian Place was constructed in 2016 and complied with accessibility requirements in place at that time. Units A-101 and A-102 are accessible in accordance with Section 504 requirements and there are two accessible parking stalls

located just outside the community building's main entry, a short distance to the two accessible units. In addition, the community room, kitchen, laundry room, and courtyard are accessible to people with disabilities.

Target Population: Homeless and vulnerable veterans

Excepted Units: Yes

Supportive Services: None

Elderly Units: None

Disabled Units: Yes. Units 1-20

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: The veteran applicant is referred by an owner for a project based voucher assisted unit

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes. The property has an income limit of Extremely Low Income (30% AMI)

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: None

EXHIBIT 17-1q: SOAP SUDS PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Soap Suds

Address: 209 – 215 Ave A. Snohomish WA 98290

Owner Information: HASCO, Stephanie Keimig
425-290-4899, skeimig@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 09/01/2004

HOTMA Requirements: Pre-HOTMA, contract signed before April 18,2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 08/31/2029

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		4					4
Initial Contract Rent		\$450					

Structure Type: Single Family Homes

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Accessible units: 209, 211, 213, 215

Target Population: Senior disabled

Excepted Units: Yes

Supportive Services: No

Elderly Units: Yes, all

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1r: SOMERSET VILLAGE PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Somerset Village Apartments/YMVA Family Village Lynnwood

Address: 19703 68th Ave W, Lynnwood WA 98036

Owner Information: YWCA of Seattle-King County-Snohomish, Monet Bletson,
mbletson@ywcaworks.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: Yes, Permanent Tax-Exempt Bonds, LIHTC, Deferred Developer Fee, Loans & Subordinate Financing

HAP CONTRACT

Effective Date of Contract: 03/17/2008

HOTMA Requirements: Pre-HOTMA, contract signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 02/28/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units				3	8		11
Initial Contract Rent				\$1,195	\$1,245		

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: A103, B105, C101, D103 – door frames wider, kitchen and bathroom accept wheelchairs

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1s: SOUNDVIEW PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Soundview, LLC.

Address: 417 3rd Ave S, Edmonds WA

Owner Information: HASCO

Property Management Company: Allied Residential, Property Manager: Maria Soriano,
425-776-3738, olympicviewsoundview@alliedresidential.com

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: Yes – State HTF, County AHTF, LIHTC, Bond

HAP CONTRACT

Effective Date of Contract: 03/01/2012

HOTMA Requirements: Pre-HOTMA, contract signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 02/28/2027

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		42					42
Initial Contract Rent		\$856					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: ADA Accessible units: 101,102

Target Population: Elderly Households

Excepted Units: Yes

Supportive Services: No

Elderly Units: Yes, all units:

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No, income limit is 60% of AMI

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1t: STANWOOD PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Stanwood Community and Senior Center – Lincoln Hill Apartments

Address: 7430 276th Street NW, Stanwood WA 98292

Owner Information: Stanwood Community and Senior Center – Lincoln Hill Apartments,
Debbie Thompson, Manager
360-629-7403, d.thompson@stanwoodseniorcenter.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: Housing Trust Fund & Housing Authority of Skagit County

HAP CONTRACT

Effective Date of Contract: 02/01/2010

HOTMA Requirements: Pre-HOTMA, contract signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 01/31/2025

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		12					12
Initial Contract Rent		\$550					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable	Owner	Owner
Other (specify)	Telephone	Tenant	Owner

Accessible Units and Features: Accessible units with mechanical doors: 104, 217, 218

Target Population: Elderly (age 55 and older) and disabled

Excepted Units: Yes

Supportive Services: No

Elderly Units: Yes, all Elderly or Disabled

Disabled Units: Yes, all Elderly or Disabled

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly and Disabled

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1u: TRILLIUM PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Trillium

Address: 23000 55th Ave W, Mountlake Terrace WA 98043

Owner Information: HASCO, Ashley Weathersbee
425-774-9464, aweathersbee@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent Entity - YWCA

Mixed Finance Development: Yes – WSHFC Bond and LAP, State HTF, County AHTF

HAP CONTRACT

Effective Date of Contract: 07/15/2010

HOTMA Requirements: Pre- HOTMA, contract signed before April 18, 2017

Term of HAP Contract: 15 years

Expiration Date of Contract: 06/30/2025

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		40					40
Initial Contract Rent		\$725					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Owner	Owner
Cooking	Electric	Owner	Owner
Water Heating	Electric	Owner	Owner
Other Electric	Electric	Owner	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Units 105, 107- ground floor units, front knobs on stoves, wheel into sink, grab bars

Target Population: Elderly, Disabled

Excepted Units: Yes

Supportive Services: No

Elderly Units: All

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area? No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly, disabled

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? No, income must be at or below 50% AMI

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1v: TRINITY PLACE PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Trinity Place

Address: 19321 46th Ave W, Lynnwood, WA 98037

Owner Information: YWCA, Matthew Shaw

206-407-7953, mshaw@ywcaworks.org

Property Management Company: Same as Owner

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 10/19/2005

HOTMA Requirements: Pre-HOTMA, contract signed before April 18, 2017

Term of HAP Contract: 10 years

Expiration Date of Contract: 09/20/2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		14	5				20
Initial Contract Rent		\$630	\$750				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Building met Accessibility requirements at time of construction in 1968. There are no accessible units in the contract.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1w: TWIN LAKES LANDING PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Twin Lakes Landing

Address: 2820 164th St NE, Marysville, WA 98271

Owner Information: Housing Hope – Janet Rainwater< Manager
(360)-654-8224, JanetRainwater@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 12/15/2017

HOTMA Requirements: Post-HOTMA

Term of HAP Contract: 10 years

Expiration Date of Contract: 11/30/2027

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			6				6
Initial Contract Rent			\$1,100				

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection/Recycling		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Three units accessible in accordance with Section 504. Specific units are not identified in the contract.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes.

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1x: VICTORIAN WOODS PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Victorian Woods/YWCA Family Village Mountlake Terrace

Address: 4004 212th Street SW, Mountlake Terrace, WA 98043

Owner Information: YWCA - Kay Helms, Manager
(425) 776-0408, khelms@ywcaworks.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: Yes, Permanent Tax-Exempt Bonds, LIHTC, Deferred Developer Fee, Loans & Subordinate Financing

HAP CONTRACT

Effective Date of Contract: 03/01/2014

HOTMA Requirements: Pre-HOTMA

Term of HAP Contract: 4 years

Expiration Date of Contract: 02/28/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			12	3			15
Initial Contract Rent			\$875	\$1000			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

(Amendment 1 dated 10/12/2015 updated the utilities)

Accessible Units and Features: 6 units. Specific units are not identified in the contract.

Target Population: Families

Excepted Units: No

Supportive Services: None

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1y: WINTERS CREEK NORTH PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Winters Creek North

Address: 932-954 4th St, Sultan, WA

Owner Information: Housing Hope - Brenda Moore
(360) 863-2586, BrendaMoore@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 06/01/2014

HOTMA Requirements: Pre-HOTMA

Term of HAP Contract: One year

Expiration Date of Contract: 05/31/2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			7	4			11
Initial Contract Rent			\$925	\$1175			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 5 units meet Section 504 requirements, one community and one laundry room are accessible to people with disabilities. Specific units are not identified in the contract.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1z: WINTERS CREEK SOUTH PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Winters Creek South

Address: 932-954 4th St, Sultan, WA 98294

Owner Information: Housing Hope - Brenda Moore, Manager
(360) 863-2586, BrendaMoore@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 06/01/2004

HOTMA Requirements: Pre-HOTMA

Term of HAP Contract: 10 years

Expiration Date of Contract: 05/31/2022

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			1	4			5
Initial Contract Rent			\$825	\$850			

Structure Type: 4 Duplex, 1 Single Family Home

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 5 units meet Sec.504 requirements, one community and one laundry rooms are accessible to people with disabilities. Specific units are not identified in the contract.

Target Population: Families

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1aa: WOODLAKE MANOR PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Woodlake Manor

Address: 1018 13th St Snohomish, WA 98292

Owner Information: HASCO, Stephanie Keimig Asset Manager
(425) 290-8499, skeimig@hasco.org

Property Management Company: None

PHA-Owned: Yes. Independent Entity: YWCA

Mixed Finance Development: Yes, State HTF, HOME, Bond

HAP CONTRACT

Effective Date of Contract: 08/01/2011

HOTMA Requirements: Pre-HOTMA

Term of HAP Contract: 15 years

Expiration Date of Contract: 07/31/2026

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			22	2			24
Initial Contract Rent			\$760	\$847			

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: Three units are substantially accessible, #75, 76, and 77

Target Population: Elderly, disabled.

Excepted Units: Yes

Supportive Services: No

Elderly Units: Yes, all units

Disabled Units: Yes, all units

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Elderly, disabled.

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1ab: WOODS CREEK VILLAGE PBV DEVELOPMENT INFORMATION

Date: 10/14/2020

DEVELOPMENT INFORMATION

Development Name: Woods Creek Village

Address: 316/320 East Fremont Street, Monroe, WA 98272

Owner Information: Housing Hope, Janet Rainwater, Property Manager
(360) 654-8224, JanetRainwater@housinghope.org

Property Management Company: None

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: 08/01/2008

HOTMA Requirements: Pre-HOTMA

Term of HAP Contract: 10 years

Expiration Date of Contract: 03/31/2023

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units			9	5			14
Initial Contract Rent			\$855	\$1030			

Structure Type: 7 Townhouse, 7 Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Tenant	Owner
Cooking	Electric	Tenant	Owner
Water Heating	Electric	Tenant	Owner
Other Electric	Electric	Tenant	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: One unit meets Section 504 requirements, community room, playground and laundry facilities are accessible to people with disabilities. Unit is not specified in the contract.

Target Population: Families.

Excepted Units: No

Supportive Services: No

Elderly Units: None

Disabled Units: None

Are units excepted because they are located in a low-poverty census tract area?: No

WAITING LIST AND SELECTION

Waiting List Type: Combined with HCV. See [Section 17-VI.C](#)

Preferences: Families

Preference Verification: See [Section 17-VI.D](#)

For the PBV program, is the income limit the same as the HCV program? Yes

OCCUPANCY

Subsidy Standards: See [Section 5-II.B](#)

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

EXHIBIT 17-1ac: PBV DEVELOPMENT INFORMATION

Date: 10/12/21

DEVELOPMENT INFORMATION

Development Name: Compass Health Broadway PSH (Andy's Place)

Address: 3301 Lombard Ave. Everett, WA 98201

Owner Information: Compass Health

Property Management Company: Compass Health

PHA-Owned: No

Mixed Finance Development: No

HAP CONTRACT

Effective Date of Contract: May 1, 2021

HOTMA Requirements: Post-HOTMA

Term of HAP Contract: 15 years

Expiration Date of Contract: 4/30/2036

PBV UNITS

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	Total
# of Units		10					
Initial Contract Rent		\$1465					

Structure Type: Low Rise

Housing Type: n/a

UTILITY RESPONSIBILITY

[Enter in Accordance with the HAP Exhibit C]

Utility	Fuel Type (Gas, Electric, Oil, Coal, Other)	Paid By (Tenant/Owner)	Provided By (Tenant/Owner)
Heating	Electric	Owner	Owner
Cooking	Electric	Owner	Owner
Water Heating	Electric	Owner	Owner
Other Electric	Electric	Owner	Owner
Water		Owner	Owner
Sewer		Owner	Owner
Trash Collection		Owner	Owner
Other (specify)	Cable, Telephone	Tenant	Owner

Accessible Units and Features: 10 Accessible Units. Elevator to all floors, roll-in showers, low counters, wide halls, ADA toilets.

Target Population: VASH

Excepted Units: All

Supportive Services: Yes, see Exhibit D of HAP Contract

Elderly Units: No

Disabled Units: No

Are units excepted because they are located in a low-poverty census tract area?: Yes

WAITING LIST AND SELECTION

Waiting List Type: VA

Preferences: VASH

Preference Verification: VA

For the PBV program, is the income limit the same as the HCV program? Same as HCV; see Chapter 3

OCCUPANCY

Subsidy Standards: Same as HCV; see Chapter 5

FUPY/FYI Units: No units are FUPY/FYI

Vacancy Payments: No

CHAPTER 18

SPECIAL PURPOSE VOUCHERS

INTRODUCTION

Special purpose vouchers are specifically funded by Congress in separate appropriations from regular HCV program funding in order to target specific populations. Special purpose vouchers include vouchers for the following programs:

- Family Unification Program (FUP)
- Foster Youth to Independence (FYI) program
- Veterans Affairs Supportive Housing (VASH)
- Mainstream
- Non-Elderly Disabled (NED)

This chapter describes HUD regulations and HASCO policies for administering special purpose vouchers. The policies outlined in this chapter are organized into five sections, as follows:

[Part I: Family Unification Program \(FUP\)](#)

[Part II: Foster Youth to Independence \(FYI\) program](#)

[Part III: Veterans Affairs Supportive Housing \(VASH\)](#)

[Part IV: Mainstream voucher program](#)

[Part V: Non-Elderly Disabled \(NED\) vouchers](#)

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to special purpose vouchers.

PART I: FAMILY UNIFICATION PROGRAM (FUP)

18-I.A. PROGRAM OVERVIEW [FACT SHEET, HOUSING CHOICE VOUCHER PROGRAM FAMILY UNIFICATION PROGRAM (FUP)]

Overview

The Family Unification Program (FUP) was authorized by Congress in 1990 to help preserve and reunify families. PHAs that administer the program provide vouchers to two different populations—FUP families and FUP youth.

Families eligible for FUP are families for whom the lack of adequate housing is a primary factor in:

- The imminent placement of the family's child or children in out-of-home care; or
- The delay in the discharge of the child or children to the family from out-of-home care.

There is no time limitation on FUP family vouchers, and the family retains their voucher as long as they are HCV-eligible. There is no requirement for the provision of supportive services for FUP family vouchers.

Youth eligible for FUP are those who:

- Are at least 18 years old and not more than 24 years of age;
- Have 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 at age 16 and older; and
- Are homeless or at risk of becoming homeless.

FUP youth vouchers are limited by statute to a period between 36 and 60 months of housing assistance. Supportive services must also be provided to FUP-eligible youth by the Public Child Welfare Agency (PCWA) or by another agency or organization under contract with the PCWA for the period of time defined in the notice or Notice of Funding Availability/Opportunity (NOFA/O) for which funding was made available.

PHAs that wish to administer FUP vouchers must apply to HUD by submitting an application under an active Notice of Funding Opportunity (NOFO). While the FUP program is administered in accordance with HCV regulations, the FUP NOFOs issued by HUD provide specific program information and requirements.

In order to administer the program, HASCO must also form a partnership with a local PCWA who is responsible for determining the family or youth meets FUP eligibility requirements and referring them to HASCO. Once the referral is received, HASCO is responsible for placing the FUP family or youth on HASCO's waiting list and determining whether they are eligible to receive assistance under HASCO's HCV program.

Assigning Vouchers [FUP FAQs]

HASCO may, but is not required to, assign a specific number or percentage of FUP vouchers for FUP youths and FUP families. Unless the PHA assigns a specific number or percentage of FUP vouchers to a designated FUP population, the PHA must serve any referrals (youths or families) that meet all program eligibility requirements up to the PHA's designated FUP program size.

HASCO Policy

HASCO is not designating any specific number or percentage of FUP vouchers for youths or families. HASCO will serve all referrals that meet program eligibility requirements, up to HASCO's FUP voucher allocation.

18-I.B. PUBLIC CHILD WELFARE AGENCY (PCWA)

Families and youth do not apply directly to HASCO for FUP vouchers. They are instead referred by a PCWA with whom HASCO has entered into a Memorandum of Understanding (MOU). The partnering PCWA initially determines whether the family or youth meets the FUP program eligibility requirements listed in [18-I.C.](#) and [18-I.D.](#) and then refers those families or youths to HASCO.

HUD strongly encourages PHAs and PCWAs to make decisions collaboratively on the administration of the program and to maintain open and continuous communication. The PCWA must have a system for identifying FUP-eligible youth within the agency's caseload and for reviewing referrals from a Continuum of Care (COC) if applicable.

HASCO Policy

HASCO has entered into an MOU with the following partnering organizations:

- Washington State Department of Children, Youth, and Families (DCYF)
- Youthnet.

Supportive Services

The PCWA must provide supportive services for the period of time defined in the notice or NOFA/O for which the funding was made available to all FUP-eligible youth regardless of their age. The MOU between HASCO and the PCWA should identify the period of time in which supportive services will be provided.

HASCO Policy

The PCWA will provide supportive services for all FUP youth for a period of 36 months.

Supportive services may be provided to FUP-eligible youth by the PCWA or by another agency or organization under agreement or contract with the PCWA, including HASCO. The organization providing the services and resources must be identified in the MOU. The following services must be offered:

- Basic life skills information or counseling on money management, use of credit, housekeeping, proper nutrition or meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);

- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance or referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
- Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a FUP voucher;
- Job preparation and attainment counseling (where to look and how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED), or attendance or financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

HASCO Policy

Additional supportive services will not be offered.

A FUP-eligible youth cannot be required to participate in these services as condition of receipt of the FUP voucher.

18-I.C. FUP FAMILY VOUCHER ELIGIBILITY CRITERIA

FUP family assistance is reserved for eligible families that the PCWA has certified are a family for whom a lack of adequate housing is a primary factor in:

- The imminent placement of the family's child or children in out-of-home care, or
- The delay in the discharge of the child or children to the family from out-of-home care.

Lack of adequate housing means the family meets any one of the following conditions:

- Living in substandard housing, which refers to a unit that meets any one of the following conditions:
 - Does not have operable indoor plumbing
 - Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth
 - Does not have a usable bathtub or shower inside the unit for the exclusive use of a family or youth
 - Does not have electricity, or has inadequate or unsafe electrical service
 - Does not have a safe or adequate source of heat
 - Should, but does not, have a kitchen
 - Has been declared unfit for habitation by an agency or unit of government, or in its present condition otherwise endangers the health, safety, or well-being of the family or youth
 - Has one or more critical defects, or a combination of intermediate defects in sufficient number or to the extent that it requires considerable repair or

rebuilding. The defects may result from original construction, from continued neglect or lack of repair, or from serious damage to the structure

- Being homeless as defined in 24 CFR 578.3
- Living in a unit where the presence of a household member with certain characteristics (i.e., conviction for certain criminal activities) would result in the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care
- Living in housing not accessible to the family's disabled child or children due to the nature of the disability
- Living in an overcrowded unit, which is defined as living in a unit where one of the following conditions has been met:
 - The family is separated from its child or children and the parents are living in an otherwise standard housing unit, but, after the family is reunited, the parents' housing unit would be overcrowded for the entire family and would be considered substandard; or
 - The family is living with its child or children in a unit that is overcrowded for the entire family and this overcrowded condition may result, in addition to other factors, in the imminent placement of its child or children in out-of-home care.
 - For purposes of this definition, the determination as to whether the unit is overcrowded is made in accordance with the PHA subsidy standards in Chapter 5, Part III of this policy.

Since HUD does not define *imminent placement*, the partnering PCWA may use its discretion to determine whether the potential out of home placement of the family's child or children is imminent [FUP FAQs].

18-I.D. FUP YOUTH VOUCHER ELIGIBILITY CRITERIA

While FUP family vouchers operate as regular HCVs after the family is referred from the PCWA, there are several aspects of the FUP youth vouchers that make them distinct from the FUP family vouchers and from regular HCVs.

Eligibility Criteria

A FUP-eligible youth is a youth the PCWA has certified:

- Is at least 18 years old and not more than 24 years of age (has not yet reached their 25th birthday);
 - The FUP youth must be no more than 24 years old at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Has left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;

- Foster care placement can include, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576.
- Is homeless or at risk of becoming homeless at age 16 or older;
 - *At risk of being homeless* is fully defined at 24 CFR 576.2.
 - This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution).
 - Therefore, youth being discharged from an institution may be eligible for a FUP voucher [FUP FAQs].
- Has an annual income at or below 30 percent of area median income; and
- Does not have sufficient resources or support networks (e.g., family, friends, faith-based or other social networks) immediately available to prevent them from moving to a supervised publicly or privately operated shelter designed to provide temporary living arrangements.

18-I.E. ASSISTANCE PERIOD [FR NOTICE 1/24/22]

Maximum Assistance Period

Although there is no time limit on FUP family vouchers, FUP youth vouchers are limited by statute. Unless the FUP youth meets an exception outlined below, after 36 months of assistance, the FUP youth voucher must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the 36-month limitation.

If the FUP youth does meet the requirements outlined below, the statutory limit on FUP assistance is a total of 60 months of FUP voucher assistance [FR Notice 1/24/22].

FUP youth who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

Statutory Exceptions

A FUP youth will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions below:

- The FUP youth is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

HASCO Policy

HASCO defines *incapacitated* person as a person who is incapable of caring for themselves without a full time caregiver.

HASCO will apply this exception in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FUP youth must submit.

The child or incapacitated person is not required to reside in the household for the youth to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part-time may qualify the youth for this exception.

- The FUP youth is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

HASCO Policy

HASCO will define *regular and active participation* in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FUP youth must submit.

- The FUP youth is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

HASCO Policy

HASCO will apply this requirement in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FUP youth must submit.

A FUP youth that meets one of the above exceptions must still be offered an opportunity to receive any supportive services available to FUP youth. A FUP youth may choose to participate in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

Education, Workforce Development, or Employment Activities

HASCO does not operate a FSS program so the youth is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The youth was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

HASCO Policy

HASCO will use the definitions of *recognized postsecondary credential* and *secondary school diploma or its recognized equivalent* under the Workforce Innovation and Opportunity Act (WIOA).

WIOA defines a *recognized postsecondary credential* as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree (29 U.S.C. 3102). Examples of a recognized postsecondary credential include, but are not limited to, an associate's degree, bachelor's degree, occupational licensure, or occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1).

For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to, obtaining certification of attaining passing scores on a state-recognized high school equivalency test, earning a secondary school diploma or state-recognized equivalent, or obtaining certification of passing a state-recognized competency-based assessment.

- The youth was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

HASCO Policy

Youth must be enrolled in education activities on at least a half-time basis, as defined by the institution that they attend. However, HASCO may make exceptions to this requirement if the youth is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where the youth is enrolled.

- The youth was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102). The term *career pathway* means a combination of rigorous and high-quality education, training, and other services that:
 - Aligns with the skill needs of industries in the economy of the state or regional economy involved;

- Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an *apprenticeship*, except in section 3226 of this title);
 - Includes counseling to support an individual in achieving the individual’s education and career goals;
 - Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
 - Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
 - Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
 - Helps an individual enter or advance within a specific occupation or occupational cluster.
- The youth was employed.

HASCO Policy

HASCO will consider the youth to be employed if they work a minimum of 20 hours per week. HASCO may make exceptions to this requirement if the youth’s hours are reduced due to circumstances beyond their control or the youth must temporarily reduce their work hours due to a verified family emergency.

HUD encourages HASCO to remind the youth at the 24-month reexamination of the education, workforce development, and employment requirements described above so that the youth has enough time to meet these requirements prior to the expiration of the 36-month period for FUP assistance.

HASCO Policy

HASCO will remind the youth at their second regular reexam of the education, workforce development, and employment requirements described above.

Extensions of Assistance

The FUP youth is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the youth engaged in at least one of the education, workforce development, or employment activities described above for at least nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the youth may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

Verification Prior to Annual Reexam

To provide an extension of assistance, HASCO must verify compliance with the above requirements at the end of the 36-month period and the 48-month periods. HASCO does not need to verify compliance with these requirements at the end of the 60-month period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, HASCO must provide the FUP youth written notification informing them that they may receive an extension of their FUP assistance and providing instructions on how the youth may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month periods, as applicable, to allow the FUP youth to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for HASCO to conduct an annual reexamination prior to the expiration of the FUP assistance.

HASCO Policy

HASCO will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month periods prior to the FUP youth's scheduled annual reexamination. HASCO will not verify compliance at the end of the 60-month period.

HASCO will provide each FUP youth with a written notification informing them that they may receive an extension of their FUP assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexam date. When necessary, HASCO will provide this notification in a format accessible to FUP youth with disabilities and in a translated format for FUP youth with limited English proficiency in accordance with [Chapter 2](#).

HASCO will use the following verification methods to verify a FUP youth's eligibility for voucher extensions:

To meet the education, workforce development, or employment requirement, HASCO will verify that the FUP youth was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of 36-month or 48-month period, as applicable.

Due to the timing of when HASCO verifies compliance and conducts the annual reexamination, the FUP youth may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month period. In such cases, the FUP/FYI youth will still be considered to have met the requirements.

For the FUP youth to meet one of the statutory exceptions described above, the youth must submit a certification to HASCO that they meet one of these

exceptions. This certification is the only documentation that the FUP youth must submit to demonstrate that they meet one of the statutory exceptions.

A FUP youth who received an extension of voucher assistance at the end of the 36-month period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month period. The FUP youth may demonstrate that they meet a different condition to receive an extension of their assistance.

If HASCO determines that the youth meets one of the statutory conditions, HASCO would then conduct an annual reexamination. If the annual reexamination determines that the youth is still eligible for the HCV program, HASCO must provide the FUP youth the extension of voucher assistance.

Termination of Assistance for Failure to Meet Conditions

Failure of the FUP youth to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FUP assistance prior to the annual reexam.

If the FUP youth does not meet any of the conditions described in in this chapter, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received, and the FUP youth voucher must be terminated once the youth reaches this time limit. The calculation of the time limit begins from the date the first HAP contract is signed. The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the youth, not the number of months that the youth is in the FUP youth program. Prior to termination, HASCO must offer the FUP youth the opportunity to request an informal hearing, in accordance with [Chapter 16](#).

18-I.F. REFERRALS AND WAITING LIST MANAGEMENT

Referrals

The PCWA must establish and implement a system to identify FUP-eligible families and youths within the agency's caseload and make referrals to HASCO. The PCWA must certify that the FUP applicants they refer to HASCO meet FUP eligibility requirements. HASCO is not required to maintain full documentation that demonstrates the family's or youth's FUP eligibility as determined by the PCWA but should keep the referral or certification from the PCWA.

HASCO Policy

As part of the MOU, HASCO and PCWA have identified staff positions to serve as lead FUP liaisons. These positions will be responsible for transmission and acceptance of FUP referrals. The PCWA must commit sufficient staff and resources to ensure eligible families and youths are identified and determined eligible in a timely manner.

When FUP vouchers are available, the HASCO liaison responsible for acceptance of referrals will contact the PCWA FUP liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date the PCWA receives this notification, the PCWA liaison will provide HASCO 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 the youth or family is FUP-eligible.

HASCO will maintain a copy of the referral or certification from the PCWA in the participant's file along with other eligibility paperwork.

HASCO must serve any referrals (youths or families) that meet all program eligibility requirements. If HASCO determines that it has received a sufficient number of referrals from the PCWA so that HASCO will be able to lease all FUP vouchers awarded, HASCO may request that the PCWA suspend transmission of referrals. If HASCO determines that additional referrals will be needed after it has made such a request, HASCO may request that the PCWA resume transmission of referrals [Notice PIH 2011-52].

Waiting List Placement

A family that is already participating in the regular HCV program cannot be transferred to a FUP voucher.

Once a referral is made, HASCO must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on HASCO's HCV waiting list. Applicants already on HASCO's HCV waiting list retain the order of their position on the list. Applicants not already on HASCO's HCV waiting list must be placed on the HCV waiting list.

If HASCO's HCV waiting list is closed, HASCO must open its HCV waiting list in order to accept new FUP applicants. If necessary, HASCO may open its waiting list solely for FUP applicants, but this information must be included in HASCO's notice of opening its waiting list (see [Section 4-II.C.](#)).

HASCO Policy

Within 10 business days of receiving the referral from the PCWA, HASCO will review the HCV waiting list and will send the PCWA a list confirming whether or not referrals are on the waiting list.

Referrals who are already on the list will retain their position and the list will be notated to indicate the family or youth is FUP-eligible.

For those referrals not already on the waiting list, HASCO will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FUP-eligible.

Waiting List Selection

HASCO selects FUP-eligible families or youths based on HASCO's regular HCV waiting list selection policies in [Chapter 4](#), including any preferences that may apply.

18-I.G. PHA HCV ELIGIBILITY DETERMINATION

Once a FUP-eligible family or youth is selected from the HCV waiting list, HASCO must determine whether the family or youth meets HCV program eligibility requirements. Applicants

must be eligible under both FUP family or youth eligibility requirements, as applicable, and HCV eligibility requirements as outlined in [Chapter 3](#) of this policy.

The PCWA may, but is not obligated to, provide information to HASCO on the family's criminal history.

HASCO Policy

HASCO will not receive the family's criminal history information from the PCWA.

Additional FUP Eligibility Factors [FUP FAQs]

For FUP family vouchers, the family must remain FUP-eligible thorough lease-up.

- If, after a family is referred by the PCWA but prior to issuing a family FUP voucher, HASCO discovers that the lack of adequate housing is no longer a primary factor for the family not reunifying, the FUP voucher may not be issued to the family.
- Similarly, if the FUP voucher has already been issued before HASCO discovers that the reunification will not happen, but the family has not yet leased up under the voucher, HASCO must not execute the HAP contract, as the family is no longer FUP-eligible.

FUP-eligible youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a FUP youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FUP youth voucher.

PHA Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in [Chapter 3](#) or any eligibility criteria listed in this section will be notified by HASCO in writing following policies in [Section 3-III.F.](#), including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.

18.I.H. LEASE UP [FR NOTICE 1/24/22]

Once HASCO determines that the family or youth meets HCV eligibility requirements, the family or youth will be issued a FUP voucher in accordance with HASCO policies.

During the family briefing, HASCO must inform the FUP youth of:

- The extension of assistance provisions and requirements; and
- Supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FUP youth assistance.

HASCO Policy

Eligible applicants will be notified by HASCO in writing following policies in [Section 3-III.F.](#) FUP families will attend a standard HCV briefing in accordance with HASCO policies in [Part I of Chapter 5](#). FUP youth will be briefed individually. HASCO will provide all aspects of the written and oral briefing as outlined in [Part I of Chapter 5](#) but will also

provide an explanation of the required items listed above, as well as discussing supportive services offered by the PCWA.

For both FUP youth and FUP families, vouchers will be issued in accordance with HASCO policies in [Chapter 5 Part II](#), except that HASCO will consider one additional 30-day extension beyond the first automatic extension for any reason, not just those listed in the policy in [Section 5-II.E](#).

Once the family or youth locate a unit, HASCO conducts all other processes relating to voucher issuance and administration per HCV program regulations and HASCO's policies (including, but not limited to: HQS inspection, determination of rent reasonableness, etc.).

18-I.I. TERMINATION OF ASSISTANCE

General Requirements

With the exception of terminations of assistance for FUP youth after the statutorily required period, terminations of FUP assistance are handled in the same way as the regular HCV program. Termination of a FUP voucher must be consistent with regulations for termination in 24 CFR Part 982, Subpart L and be in compliance with HASCO policies ([Chapter 12](#)).

If the person who qualifies for the FUP voucher passes away, the family retains the FUP voucher. In the case of a FUP-youth voucher, assistance will terminate after the statutorily required period, even if the FUP-eligible youth is no longer included in the household.

If the person who qualifies for the FUP voucher moves, the remaining family members may keep the FUP voucher based on HASCO policy (see [Section 3-I.C.](#)).

FUP Family Vouchers

If parents lose their parental rights or are separated from their children after voucher lease-up (or their children reach adulthood), the family is still eligible to keep their FUP assistance, as the regulations do not permit HCV termination for a family losing parental rights or the children reaching adulthood. However, HASCO may transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household.

HASCO Policy

HASCO may transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household and there is no prospect of any minor child being returned to the household.

FUP Youth Vouchers

HASCO cannot terminate a FUP youth's assistance for noncompliance with PCWA case management, nor may HASCO terminate assistance for a FUP youth for not accepting services from the PCWA.

HASCO may not transfer the assistance of a FUP youth voucher holder to regular HCV assistance upon the expiration of the statutorily required period. However, HASCO may issue a regular HCV to FUP youth if they were selected from the waiting list in accordance with HASCO policies

and may also adopt a preference for FUP youth voucher holders who are being terminated for this reason.

HASCO Policy

HASCO will not provide a selection preference on HASCO's HCV waiting list for FUP youth who are terminated due to the time limit on assistance.

Upon the expiration of the statutorily required period, a FUP youth voucher holder who has children and who lacks adequate housing may qualify for a FUP family voucher provided they are referred by the PCWA as an eligible family and meet the eligibility requirements for HASCO's HCV program.

18-I.J. FUP PORTABILITY

Portability for a FUP family or youth is handled in the same way as for a regular HCV family. HASCO may not restrict or deny portability for a FUP family or youth for reasons other than those specified in the HCV program regulations, as reflected in [Chapter 10](#).

A FUP family or youth does not have to port to a jurisdiction that administers FUP.

If the receiving PHA administers the FUP voucher on behalf of HASCO, the voucher is still considered a FUP voucher regardless of whether the receiving PHA has a FUP program.

If the receiving PHA absorbs the voucher, the receiving PHA may absorb the incoming port into its FUP program (if it has one) or into its regular HCV program (if the receiving PHA has vouchers available to do so) and the family or youth become regular HCV participants. In either case, when the receiving PHA absorbs the voucher, a FUP voucher becomes available to the HASCO.

Considerations for FUP Youth Vouchers

If the voucher is a FUP youth voucher and remains such upon lease-up in the receiving PHA's jurisdiction, termination of assistance must still take place once the youth has received assistance for the statutorily required period. If the receiving PHA is administering the FUP youth voucher on behalf of HASCO, the two PHAs must work together to initiate termination upon expiration of the statutorily required period.

18-I.K. PROJECT-BASING FUP VOUCHERS [NOTICE PIH 2017-21; FR NOTICE 1/24/22]

HASCO may project-base FUP vouchers without HUD approval in accordance with Notice PIH 2017-21, FR Notice 1/24/22, and all statutory and regulatory requirements for the PBV program. Project-based FUP vouchers are subject to the PBV program percentage limitation discussed in [Section 17-I.A](#).

HASCO may limit PBVs to one category of FUP-eligible participants (families or youth) or a combination of the two.

While FUP vouchers can be used for either families or youth, a PBV unit may only be counted towards HASCO's 10 percent exception authority under the program cap and the project's income-mixing requirement if the FUP PBV assistance is provided on behalf of an eligible youth.

HASCO must amend its administrative plan to include the limitation of these FUP PBV units to eligible youth.

HASCO Policy

The PHA will not project-base FUP vouchers. All FUP vouchers will be used to provide tenant-based assistance.

PART II: FOSTER YOUTH TO INDEPENDENCE INITIATIVE

18-II.A. PROGRAM OVERVIEW [NOTICE PIH 2020-28; NOTICE PIH 2021-26; FR NOTICE 1/24/22]

The Foster Youth to Independence (FYI) initiative was announced in 2019. The FYI initiative allows PHAs who partner with a Public Child Welfare Agency (PCWA) to request targeted HCVs to serve eligible youth with a history of child welfare involvement that are homeless or at risk of being homeless. Rental assistance and supportive services are provided to qualified youth for a period of between 36 and 60 months.

Funding is available either competitively through an FYI NOFA or noncompetitively on a rolling basis in accordance with the application requirements outlined in Notice PIH 2020-28 or Notice PIH 2021-26, as applicable. Under the noncompetitive process, PHAs are limited to 25 vouchers in a fiscal year with the ability to request additional vouchers for those PHAs with 90 percent or greater utilization or utilization of its FUP and/or FYI vouchers, as applicable. For competitive awards, the number of vouchers is dependent on PHA program size and need.

18-II.B. PARTNERING AGENCIES [NOTICE PIH 2021-26; FYI UPDATES AND PARTNERING OPPORTUNITIES WEBINAR]

Public Child Welfare Agency (PCWA)

HASCO must enter into a partnership agreement with a PCWA in the PHA's jurisdiction in the form of a Memorandum of Understanding (MOU) or letter of intent. The PCWA is responsible for identifying and referring eligible youth to the PHA and providing or securing a commitment for the provision of supportive services once youth are admitted to the program.

[HASCO Policy](#)

[HASCO has implemented a Foster Youth to Independence \(FYI\) program in partnership with DCYF and Youthnet.](#)

The PCWA is responsible for:

- Identifying FYI-eligible youth;
- Developing a system of prioritization based on the level of need of the youth and the appropriateness of intervention;
- Providing a written certification to the PHA that the youth is eligible; and
- Providing or securing supportive services for 36 months.

Continuum of Care (CoC) and Other Partners

HUD strongly encourages PHAs to add other partners into the partnership agreement with the PCWA such as state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates.

[HASCO Policy](#)

In addition to DCYF, the HASCO has implemented the FYI program in partnership with Youthnet.

18-II.C. YOUTH ELIGIBILITY CRITERIA [NOTICE PIH 2021-26; FYI Q&AS; FYI FAQs]

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. As determined by the PCWA, eligible youth:

- Are at least 18 years of age and not more than 24 years of age (have not yet reached their 25th birthday);
 - Youth must be no more than 24 years of age at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Have 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;
 - Placements can include, but are not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576;
- Are homeless or at risk of becoming homeless at age 16 and older;
 - *At risk of being homeless* is fully defined at 24 CFR 576.2.
 - This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution). Therefore, youth being discharged from an institution may be eligible for an FYI voucher [FYI FAQs].

Eligibility is not limited to single persons. For example, pregnant and/or parenting youth are eligible to receive assistance assuming they otherwise meet eligibility requirements.

18-II.D. SUPPORTIVE SERVICES [NOTICE PIH 2021-26; FYI UPDATES AND PARTNERING OPPORTUNITIES WEBINAR; FYI Q&AS]

Supportive services may be provided by HASCO, PCWA or a third party. The PCWA must provide or secure a commitment to provide supportive services for participating youth for the period of time defined in the NOFA/O for which the funding was made available. At a minimum, the following supportive services must be offered:

- 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);
- 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;

- Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher;
- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED) or attendance/financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

HASCO Policy

Additional supportive services will not be offered.

Since participation in supportive services is optional, but strongly encouraged, an FYI participant may decline supportive service.

18-II.E. REFERRALS AND WAITING LIST MANAGEMENT [NOTICE PIH 2021-26; FYI UPDATES AND PARTNERING OPPORTUNITIES WEBINAR FYI FAQs]

Referrals

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. Once the PCWA sends HASCO the referral certifying the youth is program-eligible, HASCO determines HCV eligibility.

The PCWA must have a system for identifying eligible youth within the agency's caseload and reviewing referrals from other partners, as applicable. The PCWA must also have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon their level of need and appropriateness of the intervention.

Referrals may come from other organizations in the community who work with the population, but the PCWA must certify that the youth meets eligibility requirements, unless the PCWA has vested another organization with this authority.

HASCO is not required to maintain full documentation that demonstrates the youth's eligibility as determined by the PCWA but should keep the referral or certification from the PCWA. The PCWA is not required to provide HASCO with HCV eligibility documents.

HASCO Policy

HASCO and PCWA have identified staff positions to serve as lead FYI liaisons. These positions will be responsible for transmission and acceptance of referrals. The PCWA must commit sufficient staff and resources to ensure eligible youths are identified, prioritized, and determined eligible in a timely manner.

When vouchers are available, the HASCO liaison responsible for acceptance of referrals will contact the PCWA liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date the PCWA receives this notification, the PCWA liaison must provide HASCO with a list of eligible referrals, a completed release form, and a written certification for each

referral indicating the referral is eligible. The list will include the name, address, and contact phone number for each adult individual who is being referred.

HASCO will maintain a copy of each certification from the PCWA in the participant's file along with other eligibility paperwork.

Waiting List Placement [Notice PIH 2021-26 and FYI FAQs]

HASCO must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.

Once a referral is made, HASCO must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on HASCO's HCV waiting list. Applicants already on HASCO's HCV waiting list retain the order of their position on the list. Applicants not already on HASCO's HCV waiting list must be placed on the HCV waiting list.

If HASCO's HCV waiting list is closed, HASCO must open its HCV waiting list in order to accept new referrals. HASCO may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants; however, the requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply (see [section 4-II.C.](#)).

HASCO Policy

Within 10 business days of receiving the referral from the PCWA, HASCO will review the HCV waiting list and will send the PCWA a list confirming whether or not referrals are on the waiting list.

Referrals who are already on the list will retain their position and the list will be notated to indicate the applicant is FYI-eligible.

For those referrals not already on the waiting list, HASCO will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FYI-eligible.

Waiting List Selection

HASCO selects eligible youths based on HASCO's regular HCV waiting list selection policies in [Chapter 4](#), including any preferences that may apply.

18-II.F. PHA HCV ELIGIBILITY DETERMINATION [FYI FAQs]

Once an eligible youth is selected from the HCV waiting list, HASCO must determine whether the youth meets HCV program eligibility requirements. Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in [Chapter 3](#).

The PCWA may, but is not obligated to, provide information to HASCO on the youth's criminal history.

HASCO Policy

HASCO will not receive criminal history information from the PCWA.

Additional Eligibility Factors

Youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FYI voucher.

HASCO Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in [Chapter 3](#) or any eligibility criteria listed in this section will be notified by HASCO in writing following policies in [Section 3-III.F](#), including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.

18-II.G. LEASE UP [FR NOTICE 1/24/22]

Once HASCO determines that the family or youth meets HCV eligibility requirements, the youth will be issued an FYI voucher in accordance with HASCO policies.

During the family briefing, HASCO must inform the FYI voucher holder of:

- The extension of assistance provisions and requirements; and
- The supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FYI assistance.

HASCO Policy

Eligible applicants will be notified by HASCO in writing following policies in [Section 3-III.F](#). FYI youth will be briefed individually. HASCO will provide all aspects of the written and oral briefing as outlined in [Part I of Chapter 5](#).

Vouchers will be issued in accordance with HASCO policies in [Chapter 5, Part II](#), except that HASCO will consider one additional 30-day extension beyond the first automatic extension for any reason, not just those listed in the policy in [Section 5-II.E](#).

Once the youth locates a unit, HASCO conducts all other processes relating to voucher issuance and administration per HCV program regulations and HASCO policy in [Chapter 9](#).

Should a youth fail to use the voucher, HASCO may issue the voucher to another eligible youth if one has been identified [Notice PIH 2021-26].

Turnover [FYI FAQs]

For vouchers awarded under Notices PIH 2020-28, where the recipient of the FYI voucher leaves the program, HASCO must continue to use the FYI voucher for eligible youth upon turnover. Where there are more eligible youth than available FYI turnover vouchers, HASCO may request an FYI voucher under the requirements of Notice PIH 2021-26. If another eligible youth is not available, HASCO must notify HUD, and HUD will reduce HASCO's HCV assistance to account for the removal of the FYI assistance from HASCO's HCV baseline.

18-II.H. MAXIMUM ASSISTANCE PERIOD [NOTICE PIH 2021-26 AND FYI FAQs; FR NOTICE 1/24/22]

Vouchers are limited by statute to a total of between 36 months and 60 months of housing assistance. At the end of the statutory period, assistance must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the limitation. It is not permissible to reissue another FYI TPV to the same youth upon expiration of their FYI assistance.

Participants do not “age out” of the program. A participant may continue with the program until they have received the period of assistance for which they are eligible. Age limits are only applied for entry into the program.

FYI voucher holders who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

HASCO does not operate a Family Self-Sufficiency (FSS) program.

Statutory Exceptions

FYI voucher holders will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit if they certify that they meet one of the exceptions below:

- The FYI voucher holder is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

HASCO Policy

HASCO will apply this exception in a manner that provides extensions of FYI assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FYI voucher holder must submit.

The child or incapacitated person is not required to reside in the household in order for the FYI voucher holder to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part time may qualify the FYI voucher holder for this exception.

- The FYI voucher holder is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

HASCO Policy

HASCO will define *regular and active participation* in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FYI voucher holder must submit.

- The FYI voucher holder is a person who is incapable of engaging in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

HASCO Policy

HASCO will apply this requirement in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HASCO-provided form. This certification is the only documentation that the FYI voucher holder must submit.

An FYI voucher holder that meets one of the above exceptions must still be offered an opportunity to receive any supportive services available to FYI voucher holders. An FYI voucher holder may choose to engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

Education, Workforce Development, or Employment Activities

HASCO does not operate a FSS program so the youth is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The FYI voucher holder was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

HASCO Policy

HASCO will use the definitions of recognized postsecondary credential and secondary school diploma or its recognized equivalent under the Workforce Innovation and Opportunity Act (WIOA).

WIOA defines a recognized postsecondary credential as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree (29 U.S.C. 3102). Examples of a recognized postsecondary credential include, but are not limited to, an associate’s degree, bachelor’s degree, occupational licensure, or occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1).

For the purpose of WIOA, the U.S. Department of Labor defines a secondary school diploma or its recognized equivalent as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to, obtaining certification of attaining passing scores on a state-recognized high school

equivalency test, earning a secondary school diploma or state-recognized equivalent, or obtaining certification of passing a state-recognized competency-based assessment.

- The FYI voucher holder was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

HASCO Policy

Youth must be enrolled in education activities on at least a half-time basis, as defined by the institution that they attend. However, HASCO may make exceptions to this requirement if the youth is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where the youth is enrolled.

- The FYI voucher holder was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102). The term *career pathway* means a combination of rigorous and high-quality education, training, and other services that:
 - Aligns with the skill needs of industries in the economy of the state or regional economy involved;
 - Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an *apprenticeship*, except in section 3226 of this title);
 - Includes counseling to support an individual in achieving the individual’s education and career goals;
 - Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
 - Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
 - Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
 - Helps an individual enter or advance within a specific occupation or occupational cluster.
- The FYI voucher holder was employed.

HASCO Policy

HASCO will consider the youth to be employed if they work a minimum of 20 hours per week. HASCO may make exceptions to this requirement if the youth’s hours are reduced

due to circumstances beyond their control or the youth must temporarily reduce their work hours due to a verified family emergency.

HUD encourages HASCO to remind the youth at the 24-month reexamination of the education, workforce development, and employment requirements described above so that the youth has enough time to meet these requirements prior to the expiration of the 36-month period for FUP assistance.

HASCO Policy

HASCO will remind the youth at their second regular reexam of the education, workforce development, and employment requirements described above.

Extensions of Assistance

The FUP youth is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the youth engaged in at least one of the education, workforce development, or employment activities described above for at least nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the youth may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

Verification Prior to Annual Reexam

To provide an extension of assistance, HASCO must verify compliance with the above requirements at the end of the 36-month period and the 48-month periods. HASCO does not need to verify compliance with these requirements at the end of the 60-month period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, HASCO must provide the FUP youth written notification informing them that they may receive an extension of their FUP assistance and providing instructions on how the youth may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month periods, as applicable, to allow the FUP youth to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for HASCO to conduct an annual reexamination prior to the expiration of the FUP assistance.

HASCO Policy

HASCO will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month periods prior to the FUP youth's scheduled annual reexamination. HASCO will not verify compliance at the end of the 60-month period.

HASCO will provide each FUP youth with a written notification informing them that they may receive an extension of their FUP assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexam date. When

necessary, HASCO will provide this notification in a format accessible to FUP youth with disabilities and in a translated format for FUP youth with limited English proficiency in accordance with [Chapter 2](#).

HASCO will use the following verification methods to verify a FUP youth's eligibility for voucher extensions:

To meet the education, workforce development, or employment requirement, HASCO will verify that the FUP youth was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of 36-month or 48-month period, as applicable.

Due to the timing of when HASCO verifies compliance and conducts the annual reexamination, the FUP youth may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month period. In such cases, the FUP/FYI youth will still be considered to have met the requirements.

For the FUP youth to meet one of the statutory exceptions described above, the youth must submit a certification to HASCO that they meet one of these exceptions. This certification is the only documentation that the FUP youth must submit to demonstrate that they meet one of the statutory exceptions.

A FUP youth who received an extension of voucher assistance at the end of the 36-month period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month period. The FUP youth may demonstrate that they meet a different condition to receive an extension of their assistance.

If HASCO determines that the youth meets one of the statutory conditions, HASCO would then conduct an annual reexamination. If the annual reexamination determines that the youth is still eligible for the HCV program, HASCO must provide the FUP youth the extension of voucher assistance.

Termination of Assistance for Failure to Meet Conditions

Failure of the FUP youth to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FUP assistance prior to the annual reexam.

If the FUP youth does not meet any of the conditions described in in this chapter, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received, and the FUP youth voucher must be terminated once the youth reaches this time limit. The calculation of the time limit begins from the date the first HAP contract is signed. The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the youth, not the number of months that the youth is in the FUP youth program. Prior to termination, HASCO must offer the FUP youth the opportunity to request an informal hearing, in accordance with [Chapter 16](#).

18-II.I. TERMINATION OF ASSISTANCE [FYI FAQs]

Termination of a FYI voucher is handled in the same way as with any HCV; therefore, termination of a FYI voucher must be consistent with HCV regulations at 24 CFR Part 982, Subpart L and HASCO policies in [Chapter 12](#). Given the statutory time limit that requires FYI vouchers to sunset, HASCO must terminate the youth's assistance once the limit on assistance has expired.

HASCO cannot terminate a FYI youth's assistance for noncompliance with PCWA case management, nor may HASCO terminate assistance for a FYI youth for not accepting services from the PCWA.

HASCO may not transfer the assistance of FYI voucher holders to regular HCV assistance upon the expiration of the limit on assistance. However, HASCO may issue a regular HCV to FYI voucher holders if they were selected from the waiting list in accordance with HASCO policies. HASCO may also adopt a waiting list preference for FYI voucher holders who are being terminated for this reason.

HASCO Policy

HASCO will not provide a selection preference on the PHA's HCV waiting list for FYI voucher holders who are terminated due to the time limit on assistance.

18-II.J. PORTABILITY [FYI FAQs]

Portability for an FYI youth is handled in the same way as for a regular HCV family. HASCO may not restrict or deny portability for an FYI youth for reasons other than those specified in the HCV program regulations, as reflected in [Chapter 10](#).

An FYI youth does not have to port to a jurisdiction that administers FYI vouchers.

If the receiving PHA absorbs the voucher, the PHA may absorb the youth into its regular HCV program if it has vouchers available to do so. If the receiving PHA absorbs the youth into its regular HCV program, that youth becomes a regular HCV participant with none of the limitations of an FYI voucher.

HASCO and receiving PHA must work together to initiate termination of assistance upon expiration of the time limit on assistance.

18-II.K. PROJECT-BASING FYI VOUCHERS [FYI FAQs; FR NOTICE 1/24/22]

HASCO may project-base certain FYI vouchers without HUD approval in accordance with all applicable PBV regulations and HASCO policies in [Chapter 17](#). This includes FYI vouchers awarded under Notices PIH 2020-28 and PIH 2021-26. Assistance awarded under Notice PIH 2019-20 is prohibited from being project-based.

HASCO Policy

HASCO will not project-base FYI vouchers. All FYI vouchers will be used to provide tenant-based assistance.

PART III: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM

18-III.A. OVERVIEW

Since 2008, HCV program funding has provided rental assistance under a supportive housing program for homeless veterans. The Veterans Affairs Supportive Housing (VASH) program combines HCV rental assistance with case management and clinical services provided by the Department of Veterans Affairs (VA) at VA medical centers (VAMCs) and Community-Based Outpatient Clinics (CBOCs), or through a designated service provider (DSP) as approved by the VA Secretary. Eligible families are homeless veterans and their families that agree to participate in VA case management and are referred to the VAMC's partner PHA for HCV assistance. The VAMC or DSP's responsibilities include:

- Screening homeless veterans to determine whether they meet VASH program participation criteria;
- Referring homeless veterans to the PHA;
- The term *homeless veteran* means a veteran who is homeless (as that term is defined in subsection (a) or (b) of Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)). See 38 U.S.C. 2002.
- Providing appropriate treatment and supportive services to potential VASH participants, if needed, prior to PHA issuance of a voucher;
- Providing housing search assistance to VASH participants;
- Identifying the social service and medical needs of VASH participants, and providing or ensuring the provision of regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout the veterans' participation period; and
- Maintaining records and providing information for evaluation purposes, as required by HUD and the VA.

VASH vouchers are awarded noncompetitively based on geographic need and PHA administrative performance. Eligible PHAs must be located within the jurisdiction of a VAMC and in an area of high need based on data compiled by HUD and the VA. When Congress funds a new allocation of VASH vouchers, HUD invites eligible PHAs to apply for a specified number of vouchers.

Generally, the HUD-VASH program is administered in accordance with regular HCV program requirements. However, HUD is authorized to waive or specify alternative requirements to allow PHAs to effectively deliver and administer VASH assistance. Alternative requirements are established in the HUD-VASH Operating Requirements, which were originally published in the Federal Register on May 6, 2008, and updated September 27, 2021. Unless expressly waived by HUD, all regulatory requirements and HUD directives regarding the HCV program are applicable to VASH vouchers, including the use of all HUD-required contracts and other forms, and all civil rights and fair housing requirements. In addition, the PHA may request additional statutory or

regulatory waivers that it determines are necessary for the effective delivery and administration of the program.

The VASH program is administered in accordance with applicable Fair Housing requirements since civil rights requirements cannot be waived under the program. These include applicable authorities under 24 CFR 5.105(a) and 24 CFR 982.53 including, but not limited to, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Age Discrimination Act and HASCO policies as outlined in [Chapter 2](#).

When HUD-VASH recipients include veterans with disabilities or family members with disabilities, reasonable accommodation requirements in [Part II of Chapter 2](#) of this policy apply.

18-III.B. REFERRALS [FR NOTICE 9/27/21 AND HUD-VASH QS AND AS]

VAMC case managers will screen all families in accordance with VA screening criteria and refer eligible families to HASCO for determination of program eligibility and voucher issuance. HASCO has no role in determining or verifying the veteran's eligibility under VA screening criteria, including determining the veteran's homelessness status. HASCO must accept referrals from the partnering VAMC and must maintain written documentation of referrals in VASH tenant files. Upon turnover, VASH vouchers must be issued to eligible veteran families as identified by the VAMC.

HASCO Policy

In order to expedite the screening process, HASCO will provide all forms and a list of documents required for the VASH application to the VAMC. Case managers will work with veterans to fill out the forms and compile all documents prior to meeting with HASCO and submitting an application. When feasible, the VAMC case manager should email or fax copies of all documents to HASCO prior to the meeting in order to allow HASCO time to review them and start a file for the veteran.

After the VAMC has given HASCO a complete referral, HASCO will perform an eligibility screening within five business days of receipt of a VAMC referral.

18-III.C. HCV PROGRAM ELIGIBILITY [FR NOTICE 9/27/21]

Eligible participants are homeless veterans and their families who agree to participate in case management from the VAMC.

- A *VASH Veteran or veteran family* refers to either a single veteran or a veteran with a household composed of two or more related persons. It also includes one or more eligible persons living with the veteran who are determined to be important to the veteran's care or well-being.
- A veteran for the purpose of VASH is a person whose length of service meets statutory requirements, and who served in the active military, naval, or air service, was discharged or released under conditions other than dishonorable, and is eligible for VA health care.

Under VASH, HASCO does not have authority to determine family eligibility in accordance with HCV program rules and PHA policies. The only reasons for denial of assistance by HASCO are failure to meet the income eligibility requirements and/or that a family member is subject to a lifetime registration requirement under a state sex offender registration program. Under portability, the receiving PHA must also comply with these VASH screening requirements.

Social Security Numbers

When verifying Social Security numbers (SSNs) for homeless veterans and their family members, an original document issued by a federal or state government agency, which contains the name and SSN of the individual along with other identifying information of the individual, is acceptable in accordance with [Section 7-II.B.](#)

In the case of the homeless veteran, HASCO must accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN and cannot require the veteran to provide a Social Security card. A VA-issued identification card may also be used to verify the SSN of a homeless veteran.

Proof of Age

The DD-214 or 10-10EZ must be accepted as proof of age in lieu of birth certificates or other HASCO-required documentation as outlined in [Section 7-II.C.](#) A VA-issued identification card may also be used to verify the age of a homeless veteran.

Photo Identification

A VA-issued identification card must be accepted in lieu of another type of government-issued photo identification. These cards also serve as verification of SSNs and date of birth.

Income Eligibility

HASCO must determine income eligibility for VASH families in accordance with 24 CFR 982.201 and policies in [Section 3-II.A.](#) If the family is over-income based on the most recently published income limits for the family size, the family will be ineligible for HCV assistance.

While income-targeting does not apply to VASH vouchers, HASCO may include the admission of extremely low-income VASH families in its income targeting numbers for the fiscal year in which these families are admitted.

HASCO Policy

While income-targeting requirements will not be considered by HASCO when families are referred by the partnering VAMC, HASCO will include any extremely low-income VASH families that are admitted in its income targeting numbers for the fiscal year in which these families are admitted.

Screening

HASCO may not screen any potentially eligible family members or deny assistance for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception: HASCO is still required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. Accordingly, with the

exception of denial for registration as a lifetime sex offender under state law and PHA policies on how sex offender screenings will be conducted, HASCO policy in Sections [3-III.B.](#) through [3-III.E.](#) do not apply to VASH. The prohibition against screening families for anything other than lifetime sex offender status applies to all family members, not just the veteran.

If a family member is subject to lifetime registration under a state sex offender registration program, the remaining family members may be served if the family agrees to remove the sex offender from its family composition. This is true unless the family member subject to lifetime registration under a state sex offender registration program is the homeless veteran, in which case the family would be denied admission to the program [New HCV GB, *HUD-VASH*, p. 6].

Denial of Assistance [Notice PIH 2008-37]

Once a veteran is referred by the VAMC, HASCO must either issue a voucher or deny assistance. If HASCO denies assistance, it must provide the family with prompt notice of the decision and a brief statement of the reason for denial in accordance with [Section 3-III.F.](#) Like in the standard HCV program, the family must be provided with the opportunity for an informal review in accordance with policies in [Section 3-III.F.](#) In addition, a copy of the denial notice must be sent to the VAMC case manager.

18-III.D. CHANGES IN FAMILY COMPOSITION

Adding Family Members [FR Notice 9/27/21]

When adding a family member after the family has been admitted to the program, HASCO policies in [Section 3-II.B.](#) apply. Other than the birth, adoption, or court-awarded custody of a child, HASCO must approve additional family members and will apply its regular screening criteria in doing so.

Remaining Family Members [HUD-VASH Qs and As]

If the homeless veteran dies while the family is being assisted, the voucher would remain with the remaining members of the tenant family. HASCO may use one of its own regular vouchers, if available, to continue assisting this family and free up a VASH voucher for another VASH-eligible family. If a regular voucher is not available, the family would continue utilizing the VASH voucher. Once the VASH voucher turns over, however, it must go to a homeless veteran family.

Family Break Up [HUD-VASH Qs and As]

In the case of divorce or separation, since the set-aside of VASH vouchers is for veterans, the voucher must remain with the veteran. This overrides HASCO's policies in [Section 3-I.C.](#) on how to determine who remains in the program if a family breaks up.

18-III.E. LEASING [FR NOTICE 9/27/21]

Waiting List

HASCO does not have the authority to maintain a waiting list or apply local preferences for HUD–VASH vouchers. Policies in [Chapter 4](#) relating to applicant selection from the waiting list, local preferences, special admissions, cross-listing, and opening and closing the waiting list do not apply to VASH vouchers.

Exception Payment Standards

To assist VASH participants in finding affordable housing, especially in competitive markets, HUD allows PHAs to establish a HUD-VASH exception payment standard. PHAs may go up to but no higher than 120 percent of the published area-wide fair market rent (FMR) or small area fair market rent (SAFMR) specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD through the regular waiver process outlined in Notice PIH 2018-16.

HASCO Policy

HASCO will not establish a VASH exception payment standard.

Voucher Issuance

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, VASH vouchers must have an initial search term of at least 120 days. HASCO policies on extensions as outlined in Section [5-II.E.](#) will apply.

HASCO Policy

All VASH vouchers will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless HASCO grants an extension.

The PHA must track issuance of HCVs for families referred by the VAMC or DSP in PIC as required in Notice PIH 2011-53.

Initial Lease Term

Unlike in the standard the HCV program, VASH voucher holders may enter into an initial lease that is for less than 12 months. Accordingly, HASCO policy in [Section 9-I.E., Term of Assisted Tenancy](#), does not apply.

Ineligible Housing [FR Notice 6/18/14]

Unlike in the standard HCV program, VASH families are permitted to live on the grounds of a VA facility in units developed to house homeless veterans. This applies to both tenant-based assistance and PBV. Therefore, 24 CFR 982.352(a)(5) and 983.53(a)(2), which prohibit units on the physical grounds of a medical, mental, or similar public or private institution, do not apply to VASH for this purpose only. Accordingly, HASCO policy in [9-I.D., Ineligible Units](#), does not apply for this purpose only.

HQS Pre-Inspections

To expedite the leasing process, PHAs may pre-inspect available units that veterans may be interested in leasing in order to maintain a pool of eligible units. If a VASH family selects a unit that passed an HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (Form HUD-52517), the unit may be approved if it meets all other conditions under 24 CFR 982.305. However, the veteran must be free to select their unit and cannot be steered to these units.

HASCO Policy

To expedite the leasing process, HASCO may pre-inspect available units that veterans may be interested in leasing to maintain a pool of eligible units. If a VASH family selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the RFTA, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305. The veteran will be free to select their unit.

When a pre-inspected unit is not selected, HASCO will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for both initial and any required reinspections.

18-III.F. PORTABILITY [FR NOTICE 9/27/21 AND NOTICE PIH 2011-53]

General Requirements

Portability policies under VASH depend on whether the family wants to move within or outside of the initial VA facility's catchment area (the area in which the VAMC or DSP operates). In all cases, the initial VA facility must be consulted prior to the move and provide written confirmation that case management will continue to be provided in the family's new location. VASH participant families may only reside in jurisdictions that are accessible to case management services, as determined by case managers at the partnering VAMC or DSP.

Under VASH, 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. As a result, HASCO policies in [Section 10-II.B.](#) about nonresident applicants do not apply.

If the family no longer requires case management, there are no portability restrictions. Normal portability rules apply.

Portability within the Initial VAMC or DSP's Catchment Area

A VASH family can move within the VAMC's catchment area as long as case management can still be provided, as determined by the VA. If the HASCO's partnering VAMC will still provide the case management services, the receiving PHA must process the move in accordance with portability procedures:

- If the receiving PHA has been awarded VASH vouchers, it can choose to either bill the initial PHA or absorb the family if it has a VASH voucher available to do so.
- If the receiving PHA absorbs the family, the VAMC or DSP providing the initial case management must agree to the absorption and the transfer of case management.
- If the receiving PHA does not administer a VASH program, it must always bill HASCO.

Portability Outside of the Initial VAMC or DSP's Catchment Area

If a family wants to move to another jurisdiction where it will not be possible HASCO's partnering VAMC or DSP to provide case management services, the initial VAMC or DSP must first determine that the VASH family could be served by another VAMS or DSP that is participating in the VASH program, and the receiving PHA has an available VASH voucher.

In these cases, the family must be absorbed by the receiving PHA either as a new admission or as a portability move-in, as applicable. Upon absorption, the HASCO's VASH voucher will be available to lease to a new VASH-eligible family, and the absorbed family will count toward the number of VASH slots awarded to the receiving PHA.

Portability Outside of the Initial VAMC or DSP's Catchment Area under VAWA

Veterans who request to port beyond the catchment area of the VAMC or DSP where they are receiving case management to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and who reasonably believes they are threatened with imminent harm from further violence by remaining in the unit may port prior to receiving approval from the receiving VAMC or DSP. HASCO must follow its emergency transfer plan (see [Exhibit 16-3](#)). HASCO may require verbal self-certification or a written request from a participant seeing a move beyond the catchment area of the VAMC or DSP.

The verbal self-certification or written request must include either a statement expressing why the participant reasonably believes that there is a threat of imminent harm from further violence if they were to remain in the same unit or a statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-day period preceding the participants request for the move.

The participant must still port to a PHA that has a VASH program. If the receiving PHA does not have a VASH voucher available to lease, they may bill HASCO until a VASH voucher is available, at which point the porting veteran must be absorbed into the receiving PHA's program.

18-III.G. TERMINATION OF ASSISTANCE [FR NOTICE 9/27/21]

With the exception of terminations for failure to receive case management, HUD has not established any alternative requirements for termination of assistance for VASH participants. However, prior to terminating VASH participants, HUD strongly encourages HASCO to exercise their discretion under 24 CFR 982.552(c)(2) as outlined in [Section 12-II.D](#) and consider all relevant circumstances of the specific case. This includes granting reasonable accommodations for persons with disabilities, as well as considering the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination.

VASH participant families may not be terminated after admission for a circumstance or activities that occurred prior to admission and were known to HASCO but could not be considered at the time of admission due to VASH program requirements. HASCO may terminate the family's assistance only for program violations that occur after the family's admission to the program.

Cessation of Case Management

As a condition of receiving HCV rental assistance, a HUD-VASH-eligible family must receive case management services from the VAMC or DSP. A VASH participant family's assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC or DSP.

However, a VAMC or DSP determination that the participant family no longer requires case management is not grounds for termination of voucher or PBV assistance. In such a case, at its option, HASCO may offer the family continued assistance through one of its regular vouchers. If HASCO has no voucher to offer, the family will retain its VASH voucher or PBV unit until such time as the PHA has an available voucher for the family.

VAWA [FR Notice 9/27/21]

When a veteran's family member is receiving protection under VAWA because 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 VASH assistance, the victim must be given a regular HCV if one is available, and the perpetrator's VASH voucher must be used to serve another eligible veteran family. If a regular HCV is not available, the perpetrator must be terminated from assistance and the victim will continue to use the VASH voucher.

18-III.H. PROJECT-BASING VASH VOUCHERS

General Requirements [Notice PIH 2017-21 and FR Notice 9/27/21]

HASCO is authorized to project-base their tenant-based VASH vouchers without additional HUD review or approval in accordance with Notice PIH 2017-21 and all PBV program requirements provided that the VAMC will continue to make supportive services available. In addition, since 2010, HUD has awarded VASH vouchers specifically for project-based assistance in the form of PBV HUD-VASH set-aside vouchers. While these vouchers are excluded from the PBV program cap as long as they remain under PBV HAP contract at the designated project, all other VASH vouchers are subject to the PBV program percentage limitation discussed in [Section 17-I.A.](#) Note that VASH supportive services only need to be provided to VASH families receiving PBV assistance in the project, not all families receiving PBV assistance in the project. If a VASH family does not require or no longer requires case management, the unit continues to count as an excepted PBV unit as long as the family resides in the unit.

If HASCO project-bases VASH vouchers, HASCO must consult with the partnering VAMC or DSP to ensure approval of the project or projects. HASCO may project-base VASH vouchers in projects alongside other PBV units and may execute a single HAP contract covering both the VASH PBVs and the other PBVs. HASCO must refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a HUD set-aside award.

If a VASH family is referred to HASCO and there is an available PBV unit that is not exclusively made available to VASH families, HASCO may offer to refer the family to the owner if allowable under the selection policy for that project, and the owner and HASCO may amend the HAP contract to designate the PBV unit as a VASH PBV unit.

HASCO and owner may agree to amend a PBV HAP contract to redesignate a regular PBV unit as a unit specifically designated for VASH families so long as HASCO first consults with the VAMC or DSP. Additionally, HASCO and owner may agree to amend a PBV HAP contract to redesignate a unit specifically designated for VASH families as a regular PBV unit, so long as the unit is not funded through a VASH PBV set-aside award and is eligible for regular PBV (i.e., the unit is not

on the grounds of a medical facility and the unit is eligible under the PHA's program and project caps).

Policies for VASH PBV units will generally follow PHA policies for the standard PBV program as listed in [Chapter 17](#), with the exception of the policies listed below.

Failure to Participate in Case Management [FR Notice 9/27/21]

Upon notification by the VAMC or DSP of the family's failure to participate, without good cause, in case management, HASCO must provide the family a reasonable time period to vacate the unit. HASCO must terminate assistance to the family at the earlier of either the time the family vacates or the expiration of the reasonable time period given to vacate.

PHA Policy

Upon notification by the VAMC or DSP that a VASH PBV family has failed to participate in case management without good cause, HASCO will provide written notice of termination of assistance to the family and the owner within 10 business days. The family will be given 60 days from the date of the notice to move out of the unit.

HASCO may make exceptions to this 60-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

If the family fails to vacate the unit within the established time, the owner may evict the family. If the owner does not evict the family, HASCO must remove the unit from the HAP contract or amend the HAP contract to substitute a different unit in the project if the project is partially assisted. HASCO may add the removed unit to the HAP contract after the ineligible family vacates the property.

Moves [HUD-VASH Qs and As, FR Notice 9/27/21]

When a VASH PBV family is eligible to move from its PBV unit in accordance with Section [17-VII.C](#), but there is no other comparable tenant-based rental assistance, the following procedures must be implemented:

- If a VASH tenant-based voucher is not available at the time the family wants (and is eligible) to move, HASCO may require a family who still requires case management to wait for a VASH tenant-based voucher for a period not to exceed 180 days;
- If a VASH tenant-based voucher is still not available after that period, the family must be allowed to move with its VASH voucher. Alternatively, HASCO may allow the family to move with its VASH voucher without having to meet this 180-day period. In either case, HASCO is required to replace the assistance in the PBV unit with one of its regular vouchers, unless HASCO and owner agree to temporarily remove the unit from the HAP contract; and
- If a VASH veteran is determined to no longer require case management, HASCO must allow the family to move with the first available tenant-based voucher if no VASH voucher is immediately available and cannot require the family to wait for a VASH voucher to become available.

PART IV: MAINSTREAM VOUCHER PROGRAM

18-IV.A. PROGRAM OVERVIEW [NOTICE PIH 2020-01]

Mainstream vouchers assist non-elderly persons with disabilities and their families in the form of either project-based or tenant-based voucher assistance.

Aside from separate funding appropriations and serving a specific population, Mainstream vouchers follow the same program requirements as standard vouchers. HASCO does not have special authority to treat families that receive a Mainstream voucher differently from other applicants and participants. For example, HASCO cannot apply different payment standards, establish conditions for allowing portability, or apply different screening criteria to Mainstream families.

The Mainstream voucher program, (previously referred to as the Mainstream 5-Year program or the Section 811 voucher program) was originally authorized under the National Affordable Housing Act of 1990. Mainstream vouchers operated separately from the regular HCV program until the passage of the Frank Melville Supportive Housing Investment Act of 2010. Funding for Mainstream voucher renewals and administrative fees was first made available in 2012. In 2017 and 2019, incremental vouchers were made available for the first time since the Melville Act (in addition to renewals and administrative fees), and PHAs were invited to apply for a competitive award of Mainstream vouchers under the FY17 and FY19 NOFAs. In 2020, Notice PIH 2020-22 provided an opportunity for any PHA administering an HCV program to apply for Mainstream vouchers noncompetitively, while Notice PIH 2020-09 authorized an increase in Mainstream voucher units and budget authority for those PHAs already awarded Mainstream vouchers under the FY17 and FY19 NOFAs.

Funds for Mainstream vouchers may be recaptured and reallocated if HASCO does not comply with all program requirements or fails to maintain a utilization rate of 80 percent for HASCO's Mainstream vouchers.

18-IV.B. ELIGIBLE POPULATION [NOTICE PIH 2020-01 AND NOTICE PIH 2020-22]

All Mainstream vouchers must be used to serve non-elderly persons with disabilities and their families, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old as of the effective date of the initial HAP contract. The eligible disabled household member does not need to be the head of household.

The definition of person with disabilities for purposes of Mainstream vouchers is the statutory definition under section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in [Exhibit 3-1](#).

Existing families receiving Mainstream vouchers, where the eligible family member is now age 62 or older, will not "age out" of the program as long as the family was eligible on the day it was first assisted under a HAP contract.

HASCO may not implement eligibility screening criteria for Mainstream vouchers that is different from that of the regular HCV program.

18-IV.C. PARTNERSHIP AND SUPPORTIVE SERVICES [NOTICE PIH 2020-01]

PHAs are encouraged but not required to establish formal and informal partnerships with a variety of organizations that assist persons with disabilities to help ensure eligible participants find and maintain stable housing.

18-IV.D. WAITING LIST ADMINISTRATION

General Waiting List Requirements [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]

HASCO must not have a separate waiting list for Mainstream voucher assistance since HASCO is required by the regulations to maintain one waiting list for tenant-based assistance [24 CFR 982.204(f)]. All HASCO policies on opening, closing, and updating the waiting list, as well as waiting list preferences in [Chapter 4](#), apply to the Mainstream program.

When HASCO is awarded Mainstream vouchers, these vouchers must be used for new admissions to HASCO's program from the waiting list. HASCO must lease these vouchers by pulling the first Mainstream-eligible family from its tenant-based waiting list. HASCO is not permitted to reassign existing participants to the program in order to make regular tenant-based vouchers available. Further, HASCO may not skip over Mainstream-eligible families on the waiting list because HASCO is serving the required number of Mainstream families.

Upon turnover, vouchers must be provided to Mainstream-eligible families. If a Mainstream turnover voucher becomes available, HASCO must determine if the families at the top of the waiting list qualify under program requirements.

Admission Preferences [Notice PIH 2020-01; FY17 Mainstream NOFA; FY19 Mainstream NOFA]

If HASCO claimed points for a preference in a NOFA application for Mainstream vouchers, HASCO must adopt a preference for at least one of the targeted groups identified in the NOFA.

PHA Policy

HASCO claimed a preference for a targeted group as part of an application for Mainstream vouchers under a NOFA. HASCO's local preferences are listed in [Section 4-III.C.](#)

18-IV.E. PORTABILITY [NOTICE PIH 2020-01 AND MAINSTREAM VOUCHER BASICS WEBINAR, 10/15/20]

Mainstream voucher participants are eligible for portability under standard portability rules and all HASCO policies regarding portability in [Chapter 10, Part II](#) apply to Mainstream families.

The following special considerations for Mainstream vouchers apply under portability:

- If the receiving PHA has a Mainstream voucher available, the participant may remain a Mainstream participant.
 - If the receiving PHA chooses to bill HASCO, then the voucher will remain a Mainstream voucher.

- If the receiving PHA chooses to absorb the voucher, the voucher will be considered a regular voucher, or a Mainstream voucher if the receiving PHA has a Mainstream voucher available, and the Mainstream voucher at HASCO will be freed up to lease to another Mainstream-eligible family.
- If the receiving PHA does not have a Mainstream voucher available, the participant may receive a regular voucher.

18-IV.F. PROJECT-BASING MAINSTREAM VOUCHERS [FY19 MAINSTREAM VOUCHER NOFA Q&A]

HASCO may project-base Mainstream vouchers in accordance with all applicable PBV regulations and HASCO policies in [Chapter 17](#). HASCO is responsible for ensuring that, in addition to complying with project-based voucher program requirements, the project complies with all applicable federal nondiscrimination and civil rights statutes and requirements. This includes, but is not limited to, Section 504 of the Rehabilitation Act (Section 504), Titles II or III of the Americans with Disabilities (ADA), and the Fair Housing Act and their implementing regulations at 24 CFR Part 8; 28 CFR Parts 35 and 36; and 24 CFR Part 100. Mainstream vouchers are subject to the PBV program percentage limitation discussed in [Section 17-I.A.](#)

PART V: NON-ELDERLY DISABLED (NED) VOUCHERS

18-V.A. PROGRAM OVERVIEW [NOTICE PIH 2013-19]

NED vouchers help non-elderly disabled families lease suitable, accessible, and affordable housing in the private market. Aside from separate funding appropriations and serving a specific population, NED vouchers follow the same program requirements as standard vouchers. HASCO does not have special authority to treat families that receive a NED voucher differently from other applicants and participants.

Some NED vouchers are awarded to PHAs through competitive NOFAs. The NOFA for FY2009 Rental Assistance for NED made incremental funding available for two categories of NED families:

- **Category 1** vouchers enable non-elderly persons or families with disabilities to access affordable housing on the private market.
- **Category 2** vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community. PHAs with NED Category 2 vouchers were required to partner with a state Medicaid or health agency or the state Money Follows the Person (MFP) Demonstration agency.

Since 1997, HCVs for NED families have been also awarded under various special purpose HCV programs: Rental Assistance for Non-Elderly Persons with Disabilities in Support of Designated Housing Plans (Designated Housing), Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Types of Section 8 Project-Based Developments (Certain Developments), One-Year Mainstream Housing Opportunities for Persons with Disabilities, and the Project Access Pilot Program (formerly Access Housing 2000).

18-V.B. ELIGIBLE POPULATION

General Requirements [Notice PIH 2013-19]

Only eligible families whose head of household, spouse, or cohead is non-elderly (under age 62) and disabled may receive a NED voucher. Families with only a minor child with a disability are not eligible.

In cases where the qualifying household member now qualifies as elderly due to the passage of time since the family received the NED voucher, existing NED participant families do not “age out,” as the family was eligible on the day it was first assisted under a housing assistance payments (HAP) contract.

The definition of person with disabilities for purposes of NED vouchers is the statutory definition under Section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in [Exhibit 3-1](#) of this policy.

HASCO may not implement eligibility screening criteria for NED vouchers that is different from that of the regular HCV program.

NED Category 2 [Notice PIH 2013-19 and NED Category 2 FAQs]

In addition to being eligible for HASCO's regular HCV program and a non-elderly person with a disability, in order to receive a Category 2 voucher, the family's head, spouse, cohead, or sole member must be transitioning from a nursing home or other healthcare institution and provided services needed to live independently in the community.

Nursing homes or other healthcare institutions may include intermediate care facilities and specialized institutions that care for those with intellectual disabilities, developmentally disabled, or mentally ill, but do not include board and care facilities (e.g., adult homes, adult day care, adult congregate living).

HASCO cannot limit who can apply to just those persons referred or approved by a Money Follows the Person (MFP) Demonstration agency or state health agency. Other individuals could be placed on the waiting list if they can show, with confirmation by an independent agency or organization that routinely provides such services (this can be the MFP or partnering agency, but need not be), that the transitioning individual will be provided with all necessary services, including care or case management.

For each Category 2 family, there must be documentation (e.g., a copy of a referral letter from the partnering or referring agency) in the tenant file identifying the institution where the family lived at the time of voucher issuance.

18-V.C. WAITING LIST

General Requirements [Notice PIH 2013-19]

Families must be selected for NED vouchers from HASCO's waiting list in accordance with all applicable regulations and HASCO policies in [Chapter 4](#).

Regardless of the number of NED families HASCO is required to serve, the next family on the waiting list must be served. Further, HASCO may not skip over NED-eligible families on the waiting list because HASCO is serving the required number of NED families.

NED Category 2 Referrals [NED Category 2 FAQs]

For NED Category 2 families, the partnering agency may make referrals of eligible families to HASCO for placement on the waiting list. HASCO will then select these families from the waiting list for voucher issuance. Because language in the NOFA established that vouchers awarded under the NOFA must only serve non-elderly disabled families transitioning from institutions, HASCO does not need to establish a preference in order to serve these families ahead of other families on the PHA's waiting list.

HASCO must accept applications from people living outside their jurisdictions or from people being referred from other Medicaid or MFP service agencies in their state.

If HASCO's waiting list is closed, HASCO must reopen its waiting list to accept referrals from its partnering agency. When opening the waiting list, HASCO must advertise in accordance with 24 CFR 982.206 and HASCO policies in [Section 4-II.C](#). In addition, HASCO must ensure that individuals living in eligible institutions are aware when HASCO opens its waiting list by reaching

out to social service agencies, nursing homes, intermediate care facilities and specialized institutions in the local service area.

Reissuance of Turnover Vouchers [Notice PIH 2013-19]

All NED turnover vouchers must be reissued to the next NED family on HASCO's waiting list with the following exception: A Category 2 voucher must be issued to another Category 2 family upon turnover if a Category 2 family is on HASCO's waiting list. If there are no Category 2 families on HASCO's waiting list, HASCO must contact its partnering agency as well as conduct outreach through appropriate social service agencies and qualifying institutions to identify potentially eligible individuals. Only after all means of outreach have been taken to reach Category 2 families can HASCO reissue the voucher to another Category 2 NED family on HASCO's waiting list. Any subsequent turnover of that voucher must again be used for a Category 2 family on HASCO's waiting list, and HASCO is under the same obligation to conduct outreach to Category 2 families if no such families are on HASCO's waiting list.

If at any time HASCO is serving fewer Category 2 families than the number of Category 2 HCVs awarded under the NOFA, when a Category 2 family applies to the waiting list and is found eligible, HASCO must issue the next NED voucher to that family. HUD monitors the initial leasing and reissuance of Category 2 HCVs. These vouchers may be recaptured and reassigned if not leased properly and in a timely manner.

All NED vouchers should be affirmatively marketed to a diverse population of NED-eligible families to attract protected classes least likely to apply. If at any time following the turnover of a NED HCV HASCO believes it is not practicable to assist NED families, HASCO must contact HUD.

18-V.D. LEASE UP [NOTICE PIH 2013-19]

Briefings

In addition to providing families with a disabled person a list of accessible units known to HASCO, HUD encourages, but does not require, HASCO to provide additional resources to NED families as part of the briefing.

HASCO Policy

In addition to providing families with a disabled person a list of resources for locating available units, HASCO will provide a supportive services document. If the new participant agrees to be contacted, HASCO will follow up with referrals for local supportive service and disability organizations that may provide such assistance as counseling services and funding for moving expenses or security deposits. These organizations include state protection and advocacy agencies, Centers for Independent Living, state Medicaid agencies, and disability advocacy groups that represent individuals with a variety of disabilities.

Further, if other governmental or non-governmental agencies provide available resources such as housing search counseling, moving expenses, security deposits, and utility deposits, HASCO will include this information in the briefing packet.

HASCO will also offer specialized housing search assistance to families with a disabled person to locate accessible units if requested. Trained HASCO staff or a local supportive service or disability organization may be able to provide this service.

Voucher Term

While HASCO is not required to establish different policies for the initial term of the voucher for NED vouchers, HUD has encouraged HASCO to be generous in establishing reasonable initial search terms and subsequent extensions for families with a disabled person.

HASCO Policy

PHA policies on extensions and suspension of vouchers in [Section 5-II.E](#). will apply.

Special Housing Types [Notice PIH 2013-19 and NED Category 2 FAQs]

In general, HASCO is not required to permit families to use any of the special housing types and may limit the number of families using such housing. However, HASCO must permit the use of a special housing type if doing so provides a reasonable accommodation so that the program is readily accessible to and usable by a person with disabilities.

Such special housing types include single room occupancy housing, congregate housing, group homes, shared housing, cooperative housing, and manufactured homes when the family owns the home and leases the manufactured home space.

Persons with disabilities transitioning out of institutional settings may choose housing in the community that is in a group or shared environment or where some additional assistance for daily living is provided for them on site. Under HUD regulations, group homes and shared housing are considered special housing types and are not excluded as an eligible housing type in the HCV program. Assisted living facilities are also considered eligible housing under the normal HCV program rules, as long as the costs for meals and other supportive services are not included in the housing assistance payments (HAP) made by HASCO to the owner, and as long as the person does not need continual medical or nursing care.

18-V.E. PORTABILITY [NED CATEGORY 2 FAQs]

NED voucher participants are eligible for portability under standard portability rules and all HASCO policies regarding portability in [Chapter 10, Part II](#) apply to NED families. However, HASCO may, but is not required to, allow applicant NED families to move under portability, even if the family did not have legal residency in HASCO's jurisdiction when they applied.

HASCO Policy

If neither the head of household nor the spouse or cohead of a NED applicant family had a domicile (legal residence) in HASCO's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within HASCO's jurisdiction for at least 12 months before requesting portability.

HASCO 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.

GLOSSARY

A. ACRONYMS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

AAF	Annual adjustment factor (published by HUD in the <i>Federal Register</i> and used to compute annual rent adjustments)
ACC	Annual contributions contract
ADA	Americans with Disabilities Act of 1990
AIDS	Acquired immune deficiency syndrome
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”)
COC	Continuum of Care
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
DCYF	Washington State Department of Children, Youth, and Families
DOH	Washington State Department of Health
EHV	Emergency Housing Voucher
EID	Earned income disallowance
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration (HUD Office of Housing)
FHEO	Fair Housing and Equal Opportunity (HUD Office of)
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSHO	Fostering Stable Housing Opportunities
FSS	Family Self-Sufficiency (Program)
FUP	Family Unification Program
FUP-Y	(or FUPY) – Family Unification Program – Youth
FUP-FYI	Family Unification Program – Fostering Youth to Independence
FY	Fiscal year

FYE	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HA	Housing authority or housing agency
HAP	Housing assistance payment
HASCO	Housing Authority of Snohomish County
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
IVT	Income Validation Tool
JTPA	Job Training Partnership Act
LBP	Lead-based paint
LEP	Limited English proficiency
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
NED	Non-Elderly Disabled
NED II	Non-Elderly Disabled Category II
NOFA	Notice of funding availability
OGC	HUD's Office of General Counsel
OIG	HUD's Office of Inspector General
OMB	Office of Management and Budget
PASS	Plan to Achieve Self-Support
PHA	Public housing agency
PIC	PIH Information Center
PIH	(HUD Office of) Public and Indian Housing

PS	Payment standard
QC	Quality control
REAC	(HUD) Real Estate Assessment Center
RFP	Request for proposals
RFTA	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
SRO	Single room occupancy
SSA	Social Security Administration
SSI	Supplemental security income
SWICA	State wage information collection agency
TANF	Temporary assistance for needy families
TPV	Tenant protection vouchers
TR	Tenant rent
TTP	Total tenant payment
UA	Utility allowance
UFAS	Uniform Federal Accessibility Standards
UIV	Upfront income verification
URP	Utility reimbursement payment
VASH	Veterans Affairs Supportive Housing
VAWA	Violence Against Women Reauthorization Act of 2013

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 persons with disabilities.

Adjusted income. Annual income, less allowable HUD deductions and allowances.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See §982.152.

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.

Affiliated individual. With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

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. Happening once a year.

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 24 CFR 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*.)

At risk of becoming homeless. This definition is used for purposes of determining eligibility for the PHA's local preference. An individual or family who:

1. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the Homeless definition in this glossary; and
2. Meets one of the following conditions:
 - a. Has moved because of economic reasons two or more times during the 60 calendar days immediately preceding the application for homelessness prevention assistance;
 - b. Is living in the home of another because of economic hardship;
 - c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 calendar days of the date of application for assistance;
 - d. Lives in a hotel or motel and the cost of the hotel or motel is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
 - e. Is living in an overcrowded housing situation according to Housing Quality Standards or its successor (more than two people per bedroom or sleeping room);
 - f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - g. Is an extremely low-income family as defined by HUD (the greater of 30% of area median income or the federal poverty line) that pays 50% or more of their income for rent and utilities (is “severely cost-burdened” as defined by HUD).

At serious risk of institutionalization. *This definition is used for purposes of determining eligibility for the PHA’s local preference.* Includes an individual with a disability who as a result of a public entity’s failure to provide community service or its cut to such services will likely cause a decline in health, safety, or welfare that would lead to the individual’s eventual placement in an institution. This includes individuals experiencing lack of access to supportive services for independent living, long waiting lists for or lack of access to housing combined with community based services, individuals currently living under poor housing conditions or homeless with barriers to geographic mobility, and/or currently living alone but requiring supportive services for independent living. A person cannot be considered at serious risk of institutionalization unless the person has a disability. An individual may be designated as at serious risk of institutionalization either by a health and human services agency, by a community-based organization, or by self-identification.

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.

Biennial. Happening every two years.

Bifurcate. With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs 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 their 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.

Cohead. An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

Common space. In shared housing, the space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of databases 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 24 CFR 982.606–609.

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 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 24 CFR 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.

Dependent child. In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* as specified above.

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, cohead, spouse, or sole member is a person with disabilities; 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*.

Disallowance. Exclusion from annual income.

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.

Domestic violence. Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or young adults victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Domicile. The legal residence of the household head or spouse as determined in accordance with state and local law.

Drug-related criminal activity. 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.

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 24 CFR 5.603(c).

Elderly family. A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; 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 A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also *family*.

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 as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).

Exiting a Permanent Supportive Housing (PSH) program. *This definition is used for purposes of determining eligibility for the PHA's local preference.* An individual or family who:

- Participates in Snohomish County's Permanent Supportive Housing program, which by definition is an "intervention that combines affordable housing assistance with

voluntary support services to address the needs of chronically homeless people. The services are designed to build independent living and tenancy skills and connect people with community-based health care, treatment and employment services.”

AND

- Has agreed with their PSH caseworker that while they are still in need of a rental subsidy for housing stability, they are no longer in need of supportive services from PSH and can live independently.

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. Area median income is 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. See 24 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. 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. A family is one individual or two or more individuals who may or may not be related by blood, marriage, adoption, or other operation of law and who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Family composition can be, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, 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 a [youth](#)
- 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 within its jurisdiction to promote self-sufficiency among participating families, including the coordination of supportive services to those families (24 CFR 984.103).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 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. A 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). See 24 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. Actual or perceived gender-related characteristics.

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 24 CFR 982.610–614.)

Handicap. Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

HAP contract. The housing assistance payments 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. This definition is used for purposes of determining eligibility for the PHA's local preference.

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - a. An individual or family with a primary nighttime residence that is a public or private place not designated for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

- b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, State, or local government programs for low-income individuals); or
 - c. An individual who is exiting an institution where they resided for 90 calendar days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- 2. An individual or family who will imminently lose their primary nighttime residence, provided that:
 - a. The primary nighttime residence will be lost within 14 calendar days of the date of application for homeless assistance;
 - b. No subsequent residence has been identified; and
 - c. The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
- 3. Unaccompanied young adults under 25 years of age, or families with children and young adults, who do not otherwise qualify as homeless under this definition, but who:
 - a. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney Vento Homeless Assistance Act (42 U.S.C. 11434a);
 - b. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 calendar days immediately preceding the date of application for homeless assistance;
 - c. Have experience persistent instability as measured by two moves or more during the 60-calendar day period immediately preceding the date of applying for homeless assistance; and
 - d. Can be expected to continue in such status for an extended period of time because of chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or childhood abuse (including neglect); the presence of a child or young adult with a disability; or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

4. Any individual or family who:

- a. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- b. Has no other residence; and
- c. Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

Household. A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

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). See *public housing agency*.

Housing quality standards (HQS). The HUD minimum quality standards for housing assisted under the voucher program.

HUD. The U.S. Department of Housing and Urban Development.

Imputed asset. An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

Imputed asset income. The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is 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.

Incapacitated person. A person who is incapable of caring for themselves without a full time caregiver.

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. See *person with disabilities*.

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.

Institutional or other segregated setting. Includes, but is not limited to: 1) congregate settings populated exclusively or primarily with individuals with disabilities; 2) congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living; or 3) settings that provide for daytime activities primarily with other individuals with disabilities.

Institution of higher education. An institution of higher education as defined in 20 U.S.C. 1001 and 1002. See [Exhibit 3-2](#) in this Administrative Plan.

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 their representative, or the managing agent or their 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.

Living/sleeping room. A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition. See HCV GB and 24 CFR 982.401.

Local preference. A preference used by the PHA to select among applicant families.

Low-income family. A family whose income does not exceed 80 percent 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 percent 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 24 CFR 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 24 CFR 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 percent of annual income.

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.

Non-elderly person. *This definition is used for purposes of determining eligibility for Mainstream and NED vouchers.* A person 18 years of age or older, and less than 62 years of age.

Non-elderly disabled (NED). A non-elderly person (ages 18-61) with a disability.

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.

Overcrowded. A unit that does not meet the following HQS space standards: (1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

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).

Person with disabilities.

- For the purposes of program eligibility. A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence.
- For the purposes of reasonable accommodation. A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

Portability. Renting a dwelling unit with a 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.

Previously unemployed. With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 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.

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 HCV 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.

Qualified family (under the earned income disallowance). A family participating in an applicable assisted housing program or receiving HCV assistance:

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or 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 responsible entity 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.

Qualified census tract. With regard to certain tax credit units, 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.

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.

Reasonable accommodation. A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

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 the tenant family. The person left in assisted housing who may or may not normally qualify for assistance on their 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 (See *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.

Roommate. An individual living in a room of a housing unit whose income and other resources are not available to meet the needs of the family.

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. The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 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)).

Sexual orientation. Homosexuality, heterosexuality or bisexuality.

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 24 CFR 982.615–982.618.)

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 24 CFR 982.602–982.605.)

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*.

Tax credit rent. With regard to certain tax credit units, 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).

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.

Utilities. Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

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.

Very low-income family. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent 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.

Veteran. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

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 that 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. A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.

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 (24 CFR 984.103), *welfare assistance* includes only cash maintenance payments designed to meet a family's ongoing basic needs. Does not include nonrecurring short term benefits designed to address individual crisis situations, work subsidies, supportive services such as child care and transportation provided to families who are employed, refundable earned income tax credits, contributions to and distributions from Individual Development Accounts under TANF, services such as counseling, case management, peer support, child care information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support, amounts solely directed to meeting housing expenses, amounts for health care, Supplemental Nutrition Assistance Program (SNAP) and emergency rental and utilities assistance, SSI, SSDI, or social security, and child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child's need and not the need of the child's current non-parental caretaker.

Youth. For the purposes of the Family Unification Program, individuals ages 18-24 who left or are leaving foster care and lack adequate housing.

Temporary Policy Supplement EMERGENCY HOUSING VOUCHERS (EHVs)

INTRODUCTION

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP) (P.L. 117-2). Section 3202 of the ARP appropriated \$5 billion for the creation, administration, and renewal of new incremental emergency housing vouchers (EHVs) and other eligible expenses related to COVID-19.

On May 5, 2021, HUD issued Notice [PIH 2021-15](#), which described HUD's process for allocating approximately 70,000 EHVs to eligible PHAs and set forth the operating requirements for PHAs who administer them. Based on criteria outlined in the notice, HUD notified eligible PHAs of the number of EHVs allocated to their agency, and PHAs were able to accept or decline the invitation to participate in the program.

HASCO may not project-base EHVs; EHVs are exclusively tenant-based assistance.

All applicable nondiscrimination and equal opportunity requirements apply to the EHV program, including requirements that HASCO grant reasonable accommodations to persons with disabilities, effectively communicate with persons with disabilities, and ensure meaningful access for persons with limited English proficiency (LEP).

This supplement describes HUD regulations and HASCO policies for administering EHVs. The policies outlined in this supplement are organized into seven sections, as follows:

Part I: Funding

Part II: Partnering Agencies

Part III: Waiting List Management

Part IV: Family Eligibility

Part V: Housing Search and Leasing

Part VI: Use of Funds, Reporting, and Financial Records

Except as addressed by this supplement and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to EHVs.

PART I: FUNDING

TPS-I.A. FUNDING OVERVIEW

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 HASCO programs or vouchers. HASCO must maintain separate financial records from its regular HCV funding for all EHV funding.

Housing Assistance Payments (HAP) Funding

ARP funding obligated to HASCO 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.

The initial funding term will expire December 31, 2022. HUD will provide renewal funding to HASCO for the EHVs on a calendar year (CY) basis commencing with CY 2023. The renewal funding allocation will be based on HASCO'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.

Administrative Fee and Funding

The following four types of fees and funding are allocated as part of the EHV program:

- **Preliminary fees** support immediate start-up costs that HASCO will incur in implementing alternative requirements under EHV, such as outreach and coordination with partnering agencies:
 - \$400 per EHV allocated to HASCO, once the consolidated annual contributions contract (CACC) is amended.
 - This fee may be used for any eligible administrative expenses related to EHVs.
 - The fee may also be used to pay for any eligible activities under EHV service fees (TPS-I.B).
- **Placement fees/expedited issuance reporting fees** will support initial lease-up costs and the added cost and effort required to expedite leasing of EHVs:
 - \$100 for each EHV initially leased, if HASCO reports the voucher issuance date in Public Housing Information Center–Next Generation (PIC–NG) system within 14 days of voucher issuance or the date the system becomes available for reporting.
 - Placement fees:
 - o \$500 for each EHV family placed under a HAP contract effective within four months of the effective date of the ACC funding increment; or

- o \$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.
 - o HUD will determine placement fees in the event of multiple EHV allocations and funding increment effective dates.
- Placement/expedited issuance fees only apply to the initial leasing of the voucher; they are not paid for family moves or to turnover vouchers.
- **Ongoing administrative fees**, which are calculated in the same way as the standard HCV program:
 - HASCO is allocated administrative fees using the full column A administrative fee amount for each EHV under contract as of the first day of each month.
 - Ongoing EHV administrative fees may be subject to proration in future years, based on available EHV funding.
- **Services fees**, which are a one-time fee to support HASCO's efforts to implement and operate an effective EHV services program in its jurisdiction (TPS-I.B):
 - The fee is allocated once HASCO's CACC is amended to reflect EHV funding.
 - The amount allocated is \$3,500 for each EHV allocated.

TPS-I.B. SERVICE FEES

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:

- Housing search assistance
- Security deposit/utility deposit/rental application/holding fee uses
- Owner-related uses
- Other eligible uses such as moving expenses or tenant-readiness services

HASCO must establish the eligible uses and the parameters and requirements for service fees in HASCO's administrative plan.

HASCO Policy

The eligible uses for service fees include:

Housing search assistance, which may include activities such as, but not limited to, helping a family identify and visit potentially available units during their housing search, helping to find a unit that meets the household's disability-related needs, providing transportation and directions, assisting with the completion of rental applications and HASCO forms, and helping to expedite the EHV leasing process for the family.

Application fees/non-refundable administrative or processing fees/refundable application deposit assistance. HASCO may choose to assist the family with some or all these expenses.

Holding fees are fees an owner requests that are rolled into the security deposit after an application is accepted but before a lease is signed. HASCO may cover part or all of the holding fee for units where the fee is required by the owner after a tenant's application has been accepted but before the lease signing. HASCO and owner must agree how the holding fee gets rolled into the deposit, and under what conditions the fee will be returned. In general, owners need to accept responsibility for making needed repairs to a unit required by the initial housing quality standards (HQS) inspections and can only keep the holding fee if the client is at fault for not entering into a lease.

Security deposit assistance. The amount of the security deposit assistance may not exceed the lesser of two months' rent to owner, the maximum security deposit allowed under applicable state and/or local law, or the actual security deposit required by the owner. HASCO may pay the security deposit assistance directly to the owner.

Utility deposit assistance/utility arrears. HASCO may provide utility deposit assistance for some or all of the family's utility deposit expenses. Assistance can be provided for deposits (including connection fees) required for the utilities to be supplied by the tenant under the lease. HASCO may pay the utility deposit assistance directly to the utility company. In addition, some families may have large balances with gas, electric, water, sewer, or trash companies that will make it difficult if not impossible to establish services for tenant-supplied utilities. HASCO may also provide the family with assistance to help address these utility arrears to facilitate leasing.

Moving expenses (including move-in fees and deposits). HASCO may provide assistance for some or all of the family's reasonable moving expenses when they initially lease a unit with the EHV. HASCO will not provide moving expenses assistance for subsequent moves.

Tenant-readiness services. HASCO may use fees to help create a customized plan to address or mitigate barriers that individual families may face in renting a unit with an EHV, such as negative credit, lack of credit, negative rental or utility history, or to connect the family to other community resources (including COVID-related resources) that can assist with rental arrears.

Essential household items. HASCO may use services fee funding to assist the family with some or all of the costs of acquiring essential household items such as tableware, cooking equipment, beds or bedding, and essential sanitary products such as soap and toiletries.

Renter's insurance if required by the lease. HASCO may choose to assist the family with some or all this cost.

Any services fee assistance that is returned to HASCO 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 HASCO's EHV program ends must be remitted to HUD.

PART II: PARTNERING AGENCIES

TPS-II.A. CONTINUUM OF CARE (COC)

PHAs that accept an allocation of EHV 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.

HASCO Policy

HASCO has entered into an MOU with *Snohomish County*. See Exhibit TPS-1 for a copy of the MOU.

TPS-II.B. OTHER PARTNERING ORGANIZATIONS

HASCO 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 HASCO chooses to partner with such agencies, HASCO must either enter into an MOU with the partnering agency or the partnering agency may be added to the MOU between HASCO and CoC.

HASCO Policy

The PHA has added not added another organization to the MOU between the PHA and CoC. See Exhibit TPS-1 for a copy of the MOU.

TPS-II.C. REFERRALS

CoC and Partnering Agency Referrals

The primary responsibility of the CoC under the MOU with HASCO is to make direct referrals of qualifying individuals and families to HASCO. HASCO must generally refer a family that is seeking EHV assistance directly from HASCO 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 HASCO of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance.

HASCO Policy

The CoC must establish and implement a system to identify EHV-eligible individuals and families within the agency's caseload and make referrals to HASCO. The CoC must certify that the EHV applicants they refer to HASCO meet at least one of the four EHV eligibility criteria. HASCO will maintain a copy of the referral or certification from the CoC or other partnering agency in the participant's file along with other eligibility paperwork.

As part of the MOU, HASCO and CoC will identify staff positions to serve as lead EHV liaisons. These positions will be responsible for transmission and acceptance of referrals. The CoC must commit sufficient staff and resources to ensure eligible individuals and families are identified and determined eligible in a timely manner.

The HASCO liaison responsible for acceptance of referrals will contact the CoC liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than five business days from the date the CoC receives this notification, the CoC liaison will provide HASCO 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.

Offers of Assistance with CoC Referral

HASCO may make an EHV available without a referral from the CoC in order to facilitate an emergency transfer under VAWA in accordance with HASCO's Emergency Transfer Plan (ETP) in Chapter 16.

HASCO must also take direct referrals from outside the CoC if:

- The CoC does not have a sufficient number of eligible families to refer to HASCO; or
- 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.

If at any time HASCO is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC (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.

PART III: WAITING LIST MANAGEMENT

TPS-III. A. HCV WAITING LIST

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.

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.

HASCO Policy

HASCO will post information about the EHV program for families on the HASCO's HCV waiting list on their website. The notice will:

- Describe the eligible populations to which EHV are limited
- Clearly state that the availability of these EHV is managed through a direct referral process
- Advise the family to contact the CoC if the family believes they may be eligible for EHV assistance

HASCO will ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. HASCO will also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

TPS-III.B. EHV WAITING LIST

The HCV regulations requiring HASCO 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 available, HASCO 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.

Further, the EHV waiting list is not subject to HASCO policies in Chapter 4 regarding opening and closing the HCV waiting list. HASCO will work directly with its CoC to manage the number of referrals and the size of the EHV waiting list.

TPS-III.C. PREFERENCES

HCV Waiting List Preferences

If local preferences are established by HASCO for HCV, they do not apply to EHV. However, if HASCO has a homeless preference or a VAWA preference for the HCV waiting list, HASCO must adopt additional policies related to EHV in accordance with Notice PIH 2021-15.

HASCO Policy

HASCO has a homeless preference for the HCV waiting list as outlined in Section 4-III.C. Local Preferences.

HASCO will refer any applicant on the waiting list that indicates they qualify for the homeless preference to the CoC. The CoC will determine whether the family is eligible for an EHV (based on the qualifying definition for EHV assistance for homelessness or another eligible category as applicable). The CoC will also determine if the family is eligible for other homeless assistance

EHV Waiting List Preferences

With the exception of a residency preference, HASCO may choose, in coordination with the CoC, to establish separate local preferences for EHV. HASCO may, however, choose to not establish any local preferences for the EHV waiting list.

HASCO Policy

No local preferences have been established for the EHV waiting list.

PART IV: FAMILY ELIGIBILITY

TPS-IV.A. OVERVIEW

The CoC 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 HASCO. HASCO determines that the family meets other eligibility criteria for the HCV program, as modified for the EHV program and outlined below.

TPS-IV.B. REFERRING AGENCY DETERMINATION OF ELIGIBILITY

In order to be eligible for an EHV, an individual or family must meet one of four eligibility criteria:

- Homeless as defined in 24 CFR 578.3;
- At risk of homelessness as defined in 24 CFR 578.3;
- 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
- 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.

As applicable, the CoC must provide documentation to HASCO of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance. HASCO must retain this documentation as part of the family's file.

TPS-IV.C. PHA SCREENING

Overview

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, HASCO 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.

The mandatory and permissive prohibitions listed in Notice PIH 2021-15 and in this supplement, 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, HASCO must approve additional family members and may apply its regular HCV screening criteria in Chapter 3 in doing so.

Mandatory Denials

Under alternative requirements for the EHV program, mandatory denials for EHV applicants include:

- 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.
- 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.

HASCO 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.

HASCO Policy

While HASCO 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, HASCO 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.

Permissive Denial

Notice PIH 2021-15 lists permissive prohibitions for which HASCO 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.

If HASCO intends to establish permissive prohibition policies for EHV applicants, HASCO 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.

HASCO Policy

In consultation with the CoC, HASCO will apply permissive prohibition to the screening of EHV applicants. HASCO will only deny assistance based on criminal activity for HUD Mandatory reasons as listed in section 3-III.B. In making its decision to deny assistance, HASCO will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, HASCO may, on a case-by-case basis, decide not to deny assistance..

HASCO will also deny assistance to household members already receiving assistance from another program in accordance with Section 9.h. of Notice PIH 2021-15.

In compliance with PIH 2021-15, HASCO will not deny an EHV applicant admission regardless of whether:

- Any member of the family has been evicted from federally assisted housing in the last five years;
- A PHA has ever terminated assistance under the program for any member of the family;
- The family currently owes rent or other amounts to HASCO or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;

- 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;
- The family breached an agreement with HASCO to pay amounts owed to a PHA, or amounts paid to an owner by a PHA;
- The family would otherwise be prohibited admission under alcohol abuse standards established by HASCO in accordance with 24 CFR 982.553(a)(3);
- HASCO determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

TPS-IV.D. INCOME VERIFICATION AT ADMISSION

Self-Certification at Admission

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, HASCO may consider self-certification the highest form of income verification at admission. As such, HASCO 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.

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.

HASCO Policy

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.

Printouts from webpages are considered original documents.

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

HASCO will incorporate additional procedures to remind families of the obligation to provide true and complete information in accordance with Chapter 14. HASCO will address any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later. HASCO 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, HASCO will terminate the family's assistance in accordance with the policies in Chapter 12.

Recently Conducted Income Determinations

HASCO may accept income calculations and verifications from third-party providers or from an examination that HASCO conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as:

- The income was calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months; and
- The family certifies there has been no change in income or family composition in the interim.

HASCO Policy

HASCO will accept income calculations and verifications from third-party providers provided they meet the criteria outlined above.

The family certification must be made in a format acceptable to HASCO and must be signed by all adult family members whose information or status is being verified.

At the time of the family's annual reexamination HASCO must conduct the annual reexamination of income as outlined at 24 CFR 982.516 and HASCO policies in Chapter 11.

EIV Income Validation

Once HUD makes the EIV data available to HASCO under this waiver and alternative requirement, HASCO must:

- 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;
- Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
- Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

Prior to admission, HASCO must continue to use HUD's EIV system to search for all household members using the Existing Tenant Search in accordance with HASCO policies in Chapter 3.

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

TPS-IV.E. SOCIAL SECURITY NUMBER AND CITIZENSHIP STATUS VERIFICATION

For the EHV program, HASCO is not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program. Instead, HASCO 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 HASCO 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.

If HASCO determines that an ineligible family received assistance, HASCO must take steps to terminate that family from the program.

HASCO Policy

HASCO 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. HASCO may provide an additional 60-day 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.

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

TPS-IV.F. AGE AND DISABILITY VERIFICATION

HASCO 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, HASCO must obtain a higher level of verification within 90 days of admission or verify the information in EIV.

If HASCO determines that an ineligible family received assistance, HASCO must take steps to terminate that family from the program.

HASCO Policy

HASCO 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 HASCO and must be signed by the family member whose information or status is being verified. If self-certification is accepted, within 90 days of admission, HASCO will verify the information in EIV or through other third-party verification if the information is not available in EIV. HASCO will note 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.

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

TPS-IV.G. INCOME TARGETING

HASCO must determine income eligibility for EHV families in accordance with 24 CFR 982.201 and HASCO policy in Chapter 3; however, income targeting requirements do not apply for EHV families. HASCO 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.

HASCO Policy

HASCO will not include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

PART V: HOUSING SEARCH AND LEASING

TPS-V.A. INITIAL VOUCHER TERM

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. HASCO policies on extensions as outlined in Section 5-II.E. will apply.

HASCO Policy

All EHV's will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless HASCO grants an extension.

TPS-V.B. HOUSING SEARCH ASSISTANCE

HASCO 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 HASCO or through the CoC or another partnering agency or entity.

At a minimum, housing search assistance must:

- 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;
- Provide transportation assistance and directions to potential units;
- Conduct owner outreach;
- Assist with the completion of rental applications and HASCO forms; and
- Help expedite the EHV leasing process for the family

HASCO Policy

Services will be provided to eligible families with EHV vouchers as described in Section III of the MOU between HASCO and the CoC. A copy of the MOU is included in Exhibit TPS-1: MEMORANDUM OF UNDERSTANDING (MOU) below.

TPS-V.C. HQS PRE-INSPECTIONS

To expedite the leasing process, HASCO may pre-inspect available units that EHV families may be interested in leasing in order to maintain a pool of eligible units.

HASCO Policy

To expedite the leasing process, HASCO 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.

The family will be free to select their unit.

When a pre-inspected unit is not selected, HASCO will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for any required reinspections.

TPS-V.D. INITIAL LEASE TERM

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 HASCO policy in Section 9-I.E., Term of Assisted Tenancy.

TPS-V.E. PORTABILITY

The normal HCV portability procedures and requirements outlined in Chapter 10 generally apply to EHV. Exceptions are addressed below.

Nonresident Applicants

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 HASCO policy in Section 10-II.B.

Billing and Absorption

A receiving PHA cannot refuse to assist an incoming EHV family, regardless of whether the PHA administers EHV under its own ACC.

- If the EHV family moves under portability to another PHA that administers EHV under its own ACC:
 - The receiving PHA may only absorb the incoming EHV family with an EHV (assuming it has an EHV voucher available to do so).
 - If the receiving 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.
 - 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.
- 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.

Family Briefing

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.

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).

HASCO Policy

In addition to following HASCO policy on briefings in Chapter 5, as part of the briefing packet for EHV families, HASCO will include a written notice that HASCO will assist the family with moves under portability.

For applicants with limited English proficient (LEP), HASCO will provide interpretation services in accordance with HASCO's LEP plan (See Chapter 2).

Coordination of Services

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 on the EHV services and assistance that will be made available to the family.

HASCO Policy

For EHV families who are exercising portability, when HASCO contacts the receiving PHA in accordance with Section 10-II.B. Preapproval Contact with Receiving PHA, HASCO 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 HASCO may provide to the receiving PHA on behalf of the family.

When HASCO is the receiving PHA, HASCO will provide services up to the maximum agreed upon by HASCO and the initial PHA.

Services Fee

Standard portability billing arrangements apply for HAP and ongoing administrative fees for EHV families.

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:

- 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.
- 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.

- 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.

Placement Fee/Issuance Reporting Fee

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/issuance 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.

TPS-V.F. PAYMENT STANDARDS

Payment Standard Schedule

For the EHV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, HASCO may, but is not required to, establish separate higher payment standards for EHV. Lower EHV payment standards are not permitted. If HASCO is increasing the regular HCV payment standard, HASCO 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.

Further, if HASCO chooses to establish higher payments standards for EHV, HUD has provided other regulatory waivers:

- 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).
- Allowing HASCO, which 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. HASCO 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.
 - HASCO must notify HUD if it establishes an EHV exception payment standard based on the SAFMR.

HASCO Policy

HASCO will not establish a higher payment standard amount for EHV. HASCO will use the same payment standards for HCV and EHV.

Rent Reasonableness

All rent reasonableness requirements apply to EHV units, regardless of whether HASCO has established an alternative or exception EHV payment standard.

Increases in Payment Standards

The requirement that HASCO 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. HASCO 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.

HASCO Policy

HASCO will not establish an alternative policy for increases in the payment standard. HASCO policy in Section 11-III.B. governing increases in payment standards will apply to EHV.

TPS-V.G. TERMINATION OF VOUCHERS

After September 30, 2023, HASCO 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, HASCO may not reissue that EHV to another family unless it does so no later than September 30, 2023.

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.

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.

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.

Appropriate reasons for termination of EHV vouchers is the same as the regular HCV program as described in Chapter 12.

PART VI: USE OF FUNDS, REPORTING, AND FINANCIAL RECORDS

EHV funds allocated to HASCO 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 HASCO 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 HASCO are to be used for those purposes and must not be used for HAP.

The appropriated funds for EHV 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 EHV 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.

HASCO must comply with EHV reporting requirements in the Voucher Management System (VMS) and Financial Data Schedule (FDS) as outlined in Notice PIH 2021-15.

HASCO 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 EHV in accordance with the HCV program requirements at 24 CFR 982.158.

Exhibit TPS-1: MEMORANDUM OF UNDERSTANDING (MOU)

The following is provided for reference only. The actual MOU may be updated at any time by agreement of both parties.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) has been created and entered into on July 1, 2021 by and between:

Housing Authority of Snohomish County (“HASCO”)

12711 4th Ave W

Everett, WA 98204

Snohomish County Human Services Department (“CoC”)

3000 Rockefeller Ave M/S 305

Everett, WA 98201

I. Introduction and Goals

- a. HASCO anticipates receiving 70 Emergency Housing Vouchers (“EHVs”) from the U.S. Department of Housing and Urban Development (“HUD”). Pursuant to HUD PIH Notice 2021-15, HASCO is required to partner with its local Continuum of Care to administer the EHVs. HASCO’s local Continuum of Care agency is Snohomish County Human Services Department.
- b. HASCO and the CoC are committed to administering the EHVs in accordance with all program requirements.
- c. HASCO’s goals and standards of success in administering the EHV program are:
 - Increasing housing stability
 - Coordinating and streamlining access to housing resources and supportive services
 - Ensuring equity in access to EHVs by marginalized populations and in program outcomes for EHV participant families
 - Efficiently using EHV funding and other community resources

HASCO’s goal is to reach 100% utilization of EHVs within 12 months of executing an Annual Contributions Contract (ACC) with the U.S. Department of Housing and

Urban Development (“HUD”) for EHV assistance. To ensure steady progress on this goal, HASCO has the following incremental goals:

Incremental Goals	CoC (Referrals)	HASCO (Leased Vouchers)
2 Months (August 31, 2021)	25% (18)	10% (7)
4 Months (October 31, 2021)	50% (36)	25% (18)
6 Months (December 31, 2021)	75% (54)	40% (28)
9 Months (March 31, 2021)	100% (70)	70% (50)
12 Months (June 30, 2021)	Additional as needed	100% (70)

d. The following staff at HASCO and CoC will serve as the lead EHV liaisons:

Lead HCV Liaison:

Jodie Halsne, Director of Tenant Based Assistance
Housing Authority of Snohomish County

Lead CoC Liaison:

[Debbi Trosvig, Supervisor, Office of Community and Homeless Services]
Snohomish County Human Services Department

II. Populations Eligible for EHV Assistance to Be Referred by the CoC

a. HUD Eligibility Requirements

In order to be eligible for an EHV, an individual or family must meet one of four eligibility categories, as defined in PIH Notice 2021-15 or any subsequent notice issued by HUD for the EHV program:

- Homeless
- At risk of homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability

The CoC or other direct referral partner must provide supporting documentation to HASCO that a family referred for EHV assistance meets one of the four eligibility categories, unless HASCO makes an EHV available to a family in order to facilitate an emergency transfer in accordance with the Violence Against Women Act (VAWA) and HASCO’s VAWA Emergency Transfer Plan.

b. Local Preference

PIH Notice 2021-15 permits HASCO and the CoC to establish local preferences for the EHV program, which can be separate from the local preferences established for HASCO's regular voucher program. HASCO will not prohibit admissions from any of the four qualifying categories or reprioritize the order in which families on the EHV waiting list are assisted; Applications will be sent to applicants in the order they are received from the CoC.

III. Services to Be Provided to Eligible EHV Families

Description of Service	Service to Be Provided By
Support individuals and families in completing applications and obtaining necessary supporting documentation to support referrals and applications for assistance; while aiding households in addressing barriers.	HASCO
Support HASCO in ensuring contact can be made with eligible individuals and families, assist eligible households in connecting with HASCO intake staff, and support eligible households in gathering supportive documentation to accompany admissions application to the PHA (self-certifications, birth certificate, social security card, etc.).	CE/CoC
Provide housing search assistance for eligible individuals and families, including: helping families identify units; providing transportation assistance; conducting owner outreach; assisting with the completion of rental applications and HASCO forms; and helping expedite the EHV leasing process for the family.	HASCO
Provide counseling on compliance with rental lease requirements.	HASCO
Assess individuals and families who may require referrals for assistance on security deposits, utility hook-up fees, and utility deposits.	HASCO
Assess and refer individuals and families to benefits and supportive services, where applicable.	HASCO/CoC/Referral Housing Partner

IV. HASCO Roles and Responsibilities

1. Coordinate and consult with the CoC in developing the services and assistance to be offered under the EHV services fee.

2. Inform families on the Housing Choice Voucher program waiting list of the availability of EHV and refer them to contact the CoC or other referral partner if the family believes that they may be eligible for EHV assistance.
3. Accept direct referrals for eligible individuals and families through the CoC Coordinated Entry System.
4. Commit a sufficient number of staff and necessary resources to ensure that the application, certification, and voucher issuance processes are completed in a timely manner.
5. Commit a sufficient number of staff and resources to ensure that inspections of units are completed in a timely manner.
6. Partner and coordinate with the CoC and other referral housing partners in the assessment, identification, and coordination of supportive services for EHV participants. This includes mainstream benefits and supportive services available to support EHV participants through their transition. (While EHV participants are not required to participate in services, the partner agencies should assure that services are available and accessible).
7. Designate a staff to serve as the lead EHV liaison.

V. CoC Roles and Responsibilities

1. Designate and maintain a lead EHV liaison to communicate with HASCO.
2. Refer eligible individuals and families to HASCO from Coordinated Entry within ten business days from the date the CoC receives request from HASCO 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.
3. Support HASCO in ensuring contact can be made with eligible individuals and families, assist eligible households in connecting with HASCO intake staff, and support eligible households in gathering supportive documentation to accompany admissions application to the PHA (self-certifications, birth certificate, social security card, etc.).
4. Partner and coordinate with HASCO and other referral housing partners in the assessment, identification, and coordination of supportive services for EHV participants. This includes mainstream benefits and supportive services available to support EHV participants through their transition. (While EHV participants are not required to participate in services, the partner agencies should assure that services are available and accessible)

VI. Program Evaluation

HASCO and CoC agree to cooperate with HUD, provide requested data to HUD or HUD-approved contractor delegated the responsibility of program evaluation protocols established by HUD or HUD-approved contractor, including possible random assignment procedures.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the day and year listed above.

Housing Authority of Snohomish County

By: _____

Duane Leonard
Executive Director

Date: _____

Snohomish County Human Services Department

By: _____

Mary Jane Brell Vujovic
Director, Department of Human Services

Date: _____

REVISION HISTORY FOR ADMINISTRATIVE PLAN

Revisions to Section 8 Administrative Plan Housing Authority of Snohomish County Board of Commissioners Approved Revisions

Table of Contents, Introduction, Headers and Footers

Section Modified	Modification	Updated	Board Approval
Table of Contents	Updated to reflect changes	10/1/19	N/A
Entire Document	Updated headers and footers to reflect changes	10/1/19	N/A
Entire Document	Updated PIH Notice references: from 2012-10 to 2018-24 and from 2017-12 to 2018-18	10/1/19	N/A
Introduction	Tested and updated links under “Resources and Where to Find Them”	10/1/19	N/A
Entire Document	Updated headers and footers to reflect changes. Updated agency logo on cover.	6/15/21	N/A
Entire Document	Cleaned up formatting. Added changes and reference updates from Nan McKay Admin Plan Template. Removed references to special rules for HUD, FUP, NED II, and Mainstream which now reside in a new chapter: Chapter 18 Special Purpose Vouchers. Changed all versions of “his/her” to versions of “they”. Added email as a valid form of written communication where information is required to be delivered in writing.	8/15/22	9/15/22
Introduction	Added note and references about HCV guidebook references between “old” guidebook and “new” guidebook.	8/15/22	9/15/22

Chapter 1: Overview of Program and Plan

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
1-III.B	Brought in line with current Nan McKay template	5/21/17	N/A
1-II.C	Removed examples of things owners should screen for; replaced with the owner should use their standard screening criteria to determine suitability for tenancy.	10/30/20	11/17/20
1-I.D	Added: Policies related to Emergency Housing Vouchers (EHV) are addressed in the Temporary Policy Supplement attached to this plan.	6/15/21	9/21/21

Chapter 2: Fair Housing & Equal Opportunity

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
2-II.H	Brought in line with current Nan McKay template	5/21/17	N/A
2-I.B	Added language to the policy that participants who believe they have experienced source of income discrimination will be directed to seek legal assistance.	1/2/2019	3/19/2019
2-I.B	Added sexual harassment to the list of actions HASCO will not subject anyone to; HASCO will provide a link to the discrimination complaint form	10/1/19	11/19/2019
2-II.E	HASCO POLICY: Added that HASCO will respond with a decision or status update on reasonable accommodations within 20 business days of the most recent discussion or communication with the family. Added that HASCO will inform families of the right to appeal HASCO's decision if a reasonable accommodation request is denied due to lack of nexus. Clarified that HASCO will discuss alternative accommodations with the family if a request is denied because it is not reasonable.	6/15/21	9/21/21
2-III.B	Added reasonable accommodations that might be used during remote oral communication. Clarified that HASCO may use the language line in addition to a family-provided interpreter. Added that "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.	6/15/21	9/21/21

Chapter 3: Eligibility

Section Modified	Modification	Updated	Board Approval
3-I.L	Extends the amount of time a family member can be temporarily absent from the household without being removed from the household to a period of 180 calendar days.	7/19/16	7/19/16
3-II.A	Revised definition of "extremely low-income" to reflect the new HUD definition (greater of poverty level of 30% AMI) as required by HUD	N/A	N/A
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
3-II.E	Brought in line with current Nan McKay template	5/21/17	N/A
3-II.E	New subsection <i>Vulnerable Youth</i>	5/21/17	N/A

Section Modified	Modification	Updated	Board Approval
3-III.B	Removed mentions of arrests as it relates to denial of assistance to reflect recent HUD guidance that arrests are not sufficient evidence that criminal activity has occurred	N/A	N/A
3-III.E	Added the word “solely” to the section record of arrest(s) will not be used solely as the basis for denial	4/17/18	N/A
3-II.A	Added references to the VASH and FUP appendices for HASCO eligibility policy	2/13/19	3/19/19
3-III. (A, B, C, and D)	Added references to the VASH and FUP appendices for HASCO denial and screening policies	2/13/19	3/19/19
3-I.D	Added policy regarding changes to who is designated as the Head of Household	10/1/19	11/19/2019
3-II.A	Removed referrals to VASH and FUP appendices. Added applicable information from VASH and FUP appendices directly to this chapter	10/1/19	11/19/2019
3-III. (A, B, C, and D)	Removed referrals to VASH and FUP appendices. Added applicable information from VASH and FUP appendices directly to this chapter	10/1/19	11/19/2019
3-III.C	Added termination from a federally assisted housing program in the last three years to denial policy	10/1/19	11/19/2019
Throughout	Added clarification that records of arrest will not be used as the sole basis of determining reasonable cause for denial and that a conviction will be given more weight than an arrest	10/30/20	11/17/20
3-I.F	Joint Custody of Dependents: HASCO Policy: updated language regarding how HASCO will decide which family can claim a dependent when more than one family has claimed the same dependent	10/30/20	11/17/20
3-II.A	Using Income Limits for Eligibility [24 CFR 982.201]: Updated HASCO Policy: “VASH applicants must be a family whose annual income does not exceed 60 percent of the median income for the area, adjusted for family size.”	10/30/20	11/17/20
3-III.A	Added clarification language regarding use of arrest and criminal records when determining eligibility	10/30/20	11/17/20
3-III.B	Adjusted establishing “current” illegal drug use as use in the past three months (down from one year)	10/30/20	11/17/20
3-III.C	Criminal Activity [24 CFR 982.553]: changed HASCO Policy to: “HASCO will only deny assistance based on criminal activity for HUD Mandatory reasons as listed in section 3-III.B.”	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
3-III.C	Previous Behavior in Assisted Housing [24 CFR 982.552(c)]: Removed “Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program” from list of denial reasons.	10/30/20	11/17/20
3-III.D	Screening for Eligibility: Added clarification that HASCO may not use criminal conviction records to check for criminal and illegal drug activity by participants and removed reference to ACRAnet as the source of background checks	10/30/20	11/17/20
3-III.E	Consideration of Circumstances [24 CFR 982.552(c)(2)]: Removed information about HASCO investigating reports of arrest. Rephrased that “Criminal conviction will be considered if it indicates a demonstrable risk to safety and/or property”	10/30/20	11/17/20
Introduction	Added that applicant family must not currently be receiving a duplicative subsidy.	6/15/21	9/21/21
3-I.L	Clarified that an individual confined to a nursing home or hospital on a permanent basis is not considered a family member	6/15/21	9/21/21
3-II.D	Added that form HUD-52675 must be signed by each adult family member	6/15/21	9/21/21
3-III.C	Added “Any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by § 982.552(b)(3).” to list of denial reasons.	6/15/21	9/21/21
3-I.B	Added reference to SECTION 8(X)(2)(B) OF THE U.S. HOUSING ACT OF 1937 (42 U.S.C. 1437F(X)(2)(B)). Added “a youth” to the list of potential family compositions	3/1/22	3/22/22
3-II.A	Changed the income limit for VASH applicants from 60 percent to 70% of AMI	3/1/22	3/22/22
3-I.B	Added clarification that a family is one or more individuals who may or may not be related and a definition of roommate	8/15/22	9/15/22
3-I.M	Modified review requirement so a verified permanent need for live in aide no longer requires annual reverification. Verified long-term need for a live in aide only has to be verified at the interval designated by the medical professional.	8/15/22	9/15/22
3-II.A	Updated income limit for VASH applicants to low-income (80% AMI)	8/15/22	8/19/22
3-III.C	Previous Behavior in Assisted Housing [24 CFR 982.552(c)]: Added instructions for when denial is due to debts shown in HUD’s EIV system	8/15/22	9/15/22

Chapter 4: Applications, Waiting List and Tenant Selection

Section Modified	Modification	Updated	Board Approval
4-III.C	The applicant is displaced due to a federally or state-declared disaster	4/15/14	4/15/14
4-III.C	The applicant is displaced from a HUD multifamily project-based Section 8-assisted unit due to a disaster or emergency, resulting in the unit being unsuitable for occupancy for at least 60 calendar days, as verified by Snohomish County or other community agency working with the family to find them replacement housing	8/19/14	8/19/14
4-III.C	The applicant is not residing in or receiving government assisted or permanent locally assisted, deep subsidy under a housing program (exceptions may be made by the Executive Director based on issues such as health and safety).	4/21/15	4/21/15
4-III.C	Removed “Not residing in or receiving government assisted or permanent locally assisted, deep subsidy in a housing program (exceptions may be made by the Executive Director based on issues such as health and safety).	10/20/15	10/20/15
4-II.F; 4-III.D	Streamline policy which stipulates HASCO cancel returned application is they do not have a forwarding address provided by USPS.	7/19/16	7/19/16
4-I.B	Clarify the application process.	10/18/16	10/18/16
4-I.D	Clarify eligibility of wait list applicants.	10/18/16	10/18/16
4-III.B	Removed PHA Policy.	10/18/16	10/18/16
4-III.C	Removed self-certification for a preference.	10/18/16	10/18/16
Entire Chapter	Brought in line with current Nan McKay Template	3/21/17	3/21/17
Entire Chapter	Changes to incorporate Mainstream targeted voucher program, clarification about application process for targeted voucher programs and PBV units, and addition of the Mainstream local preference.	10/16/18	10/16/18
4-III.C	Added overlooked local preference that has been part of 17-VII.C: The applicant is making an emergency transfer under VAWA protection from a PBV unit and there are no other PBV units available and suitable for the applicant’s family;	12/17/18	3/19/19
4-I.B	Clarified methods for submitting applications, standardized options with other areas of the admin plan	10/1/19	11/19/2019
4-III.B	FUP – clarified that referrals are verified by DCYF	10/1/19	11/19/2019

Section Modified	Modification	Updated	Board Approval
4-III.C	Increased cap on local preference from 50 to 55	10/1/19	11/19/2019
4-III.C	Updated Capped Local Preference to 150 families to comply with most recent Mainstream voucher award requirements. Capped Preference will be a one-time preference. When the vouchers issued under this preference turn over, they will no longer be subject to the preference. Added a 5th preference category: Successfully participating in permanent supportive housing in Snohomish County.	5/1/2020	5/19/2020
4-III.C	Updated Capped Preference to 220 vouchers to accommodate most recent Mainstream voucher award requirements. Added a 6 th preference category: Living in a property with income restrictions of at least 50% of units at 80% or less of AMI and has received formal notice from the landlord that the property is shutting down within 12 months.	12/1/2020	12/15/2020
4-III.B	Added Emergency Housing Vouchers to the table of targeted funding programs.	6/15/21	9/21/21
4-III.C	Clarified that the local preferences apply to the regular HCV wait list only.	6/15/21	9/21/21
4-I.B	Added "When HASCO determines that families currently on the waiting list will be served within the next year, the waiting list will be opened and applications will be accepted." Changed applicant instructions for turning in applications to say "The public notice for a wait list opening will include instructions on when the wait list will be open, when it will close, where to apply and who to contact for assistance."	8/15/22	9/15/22
4-III.C	Added date of expiration of the capped preference (August 19, 2021) due to 220 vouchers being issued under the preference by that date.	8/15/22	9/15/22
4-III.C	Opened local preferences allowing them to apply to all vouchers, including targeted funding vouchers Moved local preference for families living in an income-restricted property that has given notice of shutting down to local preferences without a cap.	3/1/23	3/21/23

Chapter 5: Briefings and Voucher Issuance

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
5-I.C	Remove PHA Policy that requires the supportive service agency to approve new additions to household living in targeted program units, per HUD audit.	N/A	N/A

Section Modified	Modification	Updated	Board Approval
5-II.E	Revised section on Suspensions of Voucher Term to reflect HUD regulatory change that the PHA must suspend the voucher term (stop the clock) once the family turns in a RFTA.	4/17/18	N/A
5-II.E	Policy amended to give applicants 90 calendar days to locate a unit. Voucher extension policy clarified the circumstances under which extensions to the voucher would approved.	N/A	N/A
5-II.B	Implemented a change in HCV occupancy/subsidy standard to issue one bedroom on the voucher for the head of household and spouse/co-head plus one bedroom for each two additional people in the household, regardless of the age or gender of the household members. The change does not apply to PBV. Added clarifying statement that an unborn child of pregnant woman counts as a family member for the purposes of establishing voucher size.	12/1/2018	3/19/19
5-II.C	Removed repeated listing of exception categories, referring instead to “reasonable accommodations”.	12/1/2018	3/19/19
5-I.B	Removed repeated bullet list items	10/1/19	11/19/2019
5-II.B	Rephrased HASCO policy to clarify that HASCO does not determine how sleeping spaces are allocated by the family when they move into a unit and how HASCO calculates the voucher size	10/1/19	11/19/2019
5-I.C	Changed the required reporting period for absences to 30 days to align with the Family Obligations forms signed by participants.	10/30/20	11/17/20
5-II.E	Expiration of Voucher Term: HASCO Policy: Added that HASCO will notify participants within 10 business days after the expiration of the voucher term or extension that the voucher term has expired.	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
5-I.B	<p>Added section “Notification of Briefing”, “In-Person Briefings”, and “Remote Briefings”. Changed “Notification and Attendance” heading to just “Attendance” as a subsection of “In-Person briefings”. Rearranged information in this section to align with the new heading structure.</p> <p>In-Person Briefings: Clarified who must and who may attend the briefings. Added that families may request individual briefings instead of attending a group briefing.</p> <p>Attendance: Clarified that this section was related to in-person briefings</p> <p>Remote Briefings [Notice PIH 2020-32]: New section added to provide police for how remote briefings will be conducted, including accessibility requirements</p>	6/15/21	9/21/21
5-II.C	Clarified that continued need for an exclusive bedroom must be re-verified at annual reexamination unless it is readily apparent to, or otherwise known by HASCO.	6/15/21	9/21/21
5-I.B	Oral Briefing [24 CFR 982.301(a)]: Added Briefing for FUP-Y and FUP-FYI participants will include information about the Fostering Stable Housing Opportunities (FSHO) extension opportunity and the requirements that they must meet to receive such an extension.	3/1/22	3/22/22
5-I.B	<p>Oral Briefing [24 CFR 982.301(a)] - added “In briefing a family that includes a person with disabilities, HASCO must also ensure effective communication.”</p> <p>Briefing Packet [24 CFR 982.301(b); New HCV GB, Housing Search and Leasing, p. 7]- added that information we provide on equal opportunity laws include “information on how to complete the form and file a fair housing complaint.” And added clarification that family obligations include “any obligations of other special programs if the family is participating in one of those programs.”</p>	8/15/22	9/15/22
5-II.B	Changed PBV occupancy standards to match HCV occupancy standards effective 10/1/22. For participants already under a PBV HAP contract prior to October 1, 2022, the new subsidy standard will be applied when the family moves to a new unit so we are not displacing any families who become overhoused by the policy change.	8/15/22	9/15/22

Chapter 6: Income and Subsidy Determinations

Section Modified	Modification	Updated	Board Approval
6-III.A	Overview of Rent & Subsidy Calculations Utility Reimbursement – Payments send directly to family	8/20/13	8/20/13
6-III.D	In accordance with the 2014 Appropriations Act, the PHA must now use the utility allowance for the lower of the actual size or the voucher bedroom size when the family chooses to reside in an oversized unit.	10/21/14	10/21/14
6-II.D	Medical Expenses Deduction - This change begins with 1/1/15 annual reviews and for all new participants	10/21/14	10/21/14
6-I.C	Adopt language “the PHA will make every effort to obtain current and consecutive pay stubs dated within the last 60 calendar days.”	7/19/16	7/19/16
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
6-II.D	Added clarifying language regarding the disallowance of medical marijuana as medical deduction	11/28/18	3/19/19
6-I.M	Added “Distributions from an ABLE account, and actual or imputed interest on the ABLE account balance” to the list of exclusions from annual income	10/1/19	11/19/2019
6-II.D	Revised HASCO policy to be in alignment with Nan McKay safe harbor. IRS Publication 502, Medical and Dental Expenses, will be used as a reference to determine the costs that qualify as medical expenses.	10/1/19	11/19/2019
6-I.E	Calculation Method: Initial 12-Month Exclusion: Updated policy to state that the initial exclusion period is 12 consecutive months Calculation Method: Second 12-Month Exclusion and Phase-In: Updated policy to state that the second exclusion and phase-in period is 12 consecutive months Calculation Method: Lifetime Limitation: Updated policy to state that EID has a two-year (24-month) lifetime maximum	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
6-I.G	General Policies: Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]: HASCO Policy: Clarified that HASCO will initially set the imputed asset passbook rate at the national rate. Changed the effective date of change as “will be determined at the time of review” rather than January 1 Types of Assets: Equity in Real Property or Other Capital Investments: Updated formula to subtract the loan balance and expenses from the market value of the loan to convert it to a cash equivalence for imputed income	10/30/20	11/17/20
6-II.F	Eligible Child Care Expenses: Necessary and Reasonable Costs: HASCO Policy: updated the source of child care cost schedule to “a qualified local entity that either subsidizes child care costs or licenses child care providers”	10/30/20	11/17/20
6-I.G	Changed Passbook review process so that HASCO’s rate will be 0% if the National Rate is .75%; otherwise, it will match the National Rate. The rates will be effective January 1 annually.	6/15/21	9/21/21
6-III.C	Section Changes in Payment Standards: Changes in Family Unit Size: Heading changed to “Changes in Family Unit Size (Voucher Size)”	6/15/21	9/21/21
6-I.H	Lump-Sum Payments for the Delayed Start of a Periodic Payment – Added clarification that delayed-start payments received between annual reexaminations will be included as income.	8/15/22	9/15/22

Chapter 7: Verification

Section Modified	Modification	Updated	Board Approval
7-I.D , 7-I.E , Part III , 7-III.E , 7-IV.B , 7-IV.D	HUD Temporary Provisions are extended through 3/31/15	12/17/13	12/17/13
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
7-III.J	Brought in line with current Nan McKay template	5/21/17	N/A
7-I.C	Added language to incorporate PIH-Notice 2010-19 into PHA Policy at recommendation of October 2017 Management Review	1/4/18	N/A
7-II.H	Inserted table to clarify information regarding acceptable documentation to verify that an applicant qualifies for a local preference	2/6/19	3/19/19

Section Modified	Modification	Updated	Board Approval
Introduction	Updated links	10/1/19	11/19/2019
7-I.C	Added the Income Validation Tool (IVT) to reporting requirement policies as required by HUD. Removed redundant language on following the established guidance	10/1/19	11/19/2019
7-I.D	Clarified methods for submitting verification, standardized options with other areas of the admin plan	10/1/19	11/19/2019
7-II.A	Clarified that the verification is for determining program eligibility	10/1/19	11/19/2019
7-II.A	HASCO Policy: clarified that employer ID card as an option for verifying legal identity must be a government employer ID card with a picture HASCO Policy: Added Government Issued ID as an acceptable proof of identity for children	10/30/20	11/17/20
7-III.J	Added reference to Notice PIH 2015-21 Added “fees and other required charges” to the list of items excluded from financial assistance when calculating income	10/30/20	11/17/20
7-I.B	Requirements for Acceptable Documents – added that family self-certifications must be signed by the family member whose information or status is being verified.	8/15/22	9/15/22
7-II.A	Removed requirement that a third party’s attestation of a person’s identity does not need to be notarized, but that the family member whose information or status is being verified must sign it.	8/15/22	9/15/22
7-III.C	Social Security/SSI Benefits – Added “To ensure consistency in the determination of annual Social Security and SSI income, PHAs are required to use EIV-reported Social Security and SSI benefit amounts unless the tenant disputes the EIV-reported amount [Notice PIH 2018-24].”	8/15/22	9/15/22
7-II.A	POLICY CHANGE: To determine program eligibility, legal identification will be verified by matching the verified social security number, name, and date of birth in HUD’s EIV system. If HASCO has reason to doubt the validity of an individual’s identity at any time, HASCO will require verification of name and birthdate for that household member.	3/1/23	3/21/23

Chapter 8: Housing Quality Standards and Rent Reasonableness Determinations

Section Modified	Modification	Updated	Board Approval
8-II.C	Annual HQS Inspections – Implementing new Biennial HQS Policy	10/21/14	10/21/14
8-I.B , 8-II.A , 8-II.B , 8-II.C , 8-II.D	Additional Local Requirements; Types of Inspections; Inspection of PHA-Owned Units; Initial, Annual and Special Inspections – Biennial Inspections, Independent Entity for HASCO Owned Inspections, New HQS Criteria	11/20/15	11/20/15
8-I.B	Additional Local Requirements – removal of requirement for landlords to provide window coverings; replace batteries in smoke detectors when the smoke detector is not easily accessible to the tenant; prohibition on assisting single-family homes that have swimming pools or hot tubs; and provide stove/range and refrigerator in voucher-assisted units.	4/19/16	4/19/16
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
8-I.C	Brought in line with current Nan McKay template	5/21/17	N/A
8-III.B	Changed percent decrease under PHA- and HUD-Initiated Rent Reasonableness Determinations	5/21/17	N/A
Entire Chapter	Removed all references to PHA Policies that explained detailed additional requirements to HQS for inspections. This was completed to be in line with HUD Management Review October 2017.	1/4/18	N/A
Exhibit 8-1	Updated Lead-Based Paint requirements in accordance with Nan McKay template updates	10/4/18	N/A
8-I.B and 8-I.C	Re-added references to HASCO Policies that clarified requirements for HQS inspections	11/14/2018	3/19/19
8-II.C	Removed “family member” from HASCO policy because any adult can be present for the inspection	10/1/19	11/19/2019
8-III.C	Added references to Notice PIH 2002-22, Notice PIH 2005-20, and Notice PIH 2011-46	10/1/19	11/19/2019
8-III.D	Clarified that if additional information is not submitted to HASCO within 5 business days, any changes to the requested rent will be considered a new request and must be submitted at least 60 days prior to the desired effective date.	5/1/2020	5/19/2020
Entire Chapter	Changed “annual” to “biennial” for all inspections to allow greater flexibility in scheduling	10/30/20	11/17/20
8-II.A	Owner and Family Inspection Attendance: Clarified that an “authorized” adult must be present if a minor is present during the inspection	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
8-II.C	Rephrased HASCO Policy to allow all units to be on a biennial inspection schedule while units that fail or have serious comments may be scheduled for their next inspection in one year.	10/30/20	11/17/20
8-I.B	Clarified that interior doors must be openable from the inside without the use of a key at biennial inspection and from both sides at initial inspection. Clarified that exterior doors must be “reasonably” weather-tight.	6/15/21	9/21/21
8-II.A	Simplified the definition of a HASCO-owned unit in alignment with updated language from Nan McKay Remote Video Inspections (RVIs) [Notice PIH 2020-31] (New section added from updated Nan McKay template). HASCO Policy: HASCO will not conduct any HQS inspection using RVI.	6/15/21	9/21/21
8-II.B	Changed hours inspections will generally be conducted from “only during business hours” to “between 8:00am and 7:00pm” . Clarified that the presence of a family representative is permitted but is not required.	6/15/21	9/21/21
8-II.C	Clarified HASCO Policy to say all units will be on a biennial inspection schedule and that HASCO reserves the right to require annual inspections at any time.	6/15/21	9/21/21
8-II.E	Clarified that the selected sample should be drawn to represent a cross section of neighborhoods and the work of a cross section of inspectors.	6/15/21	9/21/21
8-II.C	Added that if anyone in the household is sick or has been exposed to COVID the family should request that their inspection be rescheduled	11/5/21	11/16/21

Chapter 9: General Leasing Policies

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
9-I.H	HASCO does not accept rent increases with multiple rent amounts listed	8/20/18	N/A
9-I.B	Added clarifying language to HASCO policy on how HASCO compares the RFTA to the lease and notifies other parties of any discrepancies	10/1/19	11/19/2019
9-I.E; 9-I.F	Clarified methods for submitting corrected information, standardized options with other areas of the admin plan	10/1/19	11/19/2019

9-I.E	Separate Non-Lease Agreements between Owner and Tenant: Added clarification that Month-to-month fees and other lease term fees are considered part of the total rent to owner and will be included in determining the reasonableness of the rent for the property.	3/1/23	3/21/23
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Chapter 10: Moving With Continued Assistance And Portability

Section Modified	Modification	Updated	Board Approval
10-I.B	Updated policy on when elective moves are permitted.	11/14/16	11/14/16
10-II.B	Defining eligibility for portability	11/14/16	11/14/16
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
10-I.C	Changed policy to allow up to a 3 day overlap in HAP to allow time to transition between units	1/17/19	3/19/19
10-I.C	Added section “Zero HAP Families Who Wish to Move [24 CFR 982.455] from latest Nan McKay updates. This section provides guidance on families at zero HAP who request a moving voucher	10/1/19	11/19/2019
10-II.C	Clarified that HASCO will extend portability vouchers according to section 5-II.E as long as there is sufficient time for RFTA and billing	10/11/19	11/19/2019
10-I.A	HASCO Policy: Clarified that the emergency transfer plan discusses external transfers to other covered housing programs	10/30/20	11/17/20
10-II.B	Initial Billing Deadline [Notice PIH 2016-09] – clarified that we will contact the receiving PHA if we do not intend to honor late billing.	8/15/22	9/15/22
10-I.C	POLICY CHANGE: removed HASCO Policy restricting overlap of HAP to 3 days.	3/1/23	3/21/23

Chapter 11 Reexaminations

Section Modified	Modification	Updated	Board Approval
11-I.A	HUD Temporary Provisions are extended through 3/31/15	12/17/13	12/17/13
11-II.C	Changes affecting income or expense. PHA & Family Initiated. This change is effective January 21, 2014	1/21/14	1/21/14
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
11-II.C	Changes to interim review and increase in income	4/26/18	3/19/19

Section Modified	Modification	Updated	Board Approval
11-I.B	Clarified that HASCO may streamline the verification of fixed income but is not required to verify non-fixed income amounts	10/30/20	11/17/20
11-II.B	Departure of a Family or Household Member: Removed “If a live in aide, foster child, or foster adult ceases to reside in the unit, the family must inform HASCO in writing within 10 business days” because it is already stated for household members and those individuals are household members.	10/30/20	11/17/20
11-III.C	HASCO Policy: removed “The notice will also state the procedures for requesting a file review” and added “The notice will state the family has the right to request an explanation of how the assistance was calculated and if the family disagrees, they have the right to informal hearing. The notice will include the procedures for requesting an informal hearing.”	10/30/20	11/17/20
11-II.D	Effective Dates: HASCO Policy: modified policy for income reductions that occurred between 4/1/2020 and 6/30/2021 to allow retroactive effective date in some circumstances	6/15/21	9/21/21
11-I.C	Notification of and Participation in the Annual Reexamination Process: Added “FUP-Y and FYP-FYI” sub-section stating that HASCO will notify FUP-Y and FUP-FYI participants who leased their initial voucher after 12/27/2020 approximately 30 days prior to their 36-, and 48- month reexaminations to allow time for the youth to demonstrate that they meet one of the extension requirements or exemptions	3/1/22	3/22/22
11-I.F	Added this entire section to describe the extension program requirements and exemptions for the youth and process policies for HASCO.	3/1/22	3/22/22
11-I.G	Renumbered this section from 11-I.F to 11-I.G	3/1/22	3/22/22
11-II.C	Family-Initiated Interim Reexaminations: Required Reporting: HASCO Policy: clarified that HASCO will look at the totality of an income change and its impact on the family of share of rent when determining if an interim certification will be processed.	3/1/22	3/22/22
11-I.C	Changed policy: if a family moves to a new unit, HASCO will perform an interim reexamination instead of a new annual reexamination.	8/15/22	9/15/22
11-II.B	New Family and Household Members Requiring Approval – clarified that the head of household must request approval to add family or household members; and HASCO will only approve new family or household members who meet qualifications.	8/15/22	9/15/22

Section Modified	Modification	Updated	Board Approval
	Departure of a Family or Household Member – clarified that the head of household must inform HASCO of any departing family members.		

Chapter 12: Termination of Assistance and Tenancy

Section Modified	Modification	Updated	Board Approval
12-I.E	Removed mentions of arrests as it related to termination of assistance to reflect recent HUD guidance that arrests are not sufficient evidence that criminal activity has occurred	12/17/13	12/17/13
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
Exhibit 12-1	Added “police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.” To the examples of evidence that may be used in determining if a family has committed a serious or repeated lease violation. This language comes from the latest Nan McKay update.	10/1/19	11/19/2019
Throughout	Added clarification that records of arrest will not be used as the sole basis for termination	10/30/20	11/17/20
12-I.E	Mandatory Policies [24 CFR 982.553(b) and 982.551(l)] Use of Illegal Drugs and Alcohol Abuse: HASCO Policy: Reduced timeframe in the definition of currently engaged in illegal drug use to three months Drug-Related and Violent Criminal Activity [24 CFR 5.100]: Removed reference to evidence types and records of request. Ended first sentence to clarify that criminal convictions would be the evidence used to terminate based on drug-related or violent criminal activity during participation in the program. Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c), 24 CFR 5.2005(c)]: HASCO Policy: removed “Any PHA has terminated assistance under the program for any member of the family in the last three years.” as a reason for termination	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
12-II.D	NEW SECTION ADDED: Use of Criminal Conviction Records after Admission [24 CFR 5.903]: discusses a PHA's access to and use of criminal conviction records obtained from a "law enforcement agency" Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]: Removed information about HASCO investigating reports of arrest. Rephrased that "Criminal conviction will be considered if it indicates a demonstrable risk to safety and/or property"	10/30/20	11/17/20
12-III.B	Other Good Cause: Added conditions for terminating a lease due to property foreclosure	10/30/20	11/17/20
EXHIBIT 12-1	Removed opening paragraph in the HASCO Policy because it is already covered in other sections of the plan.	10/30/20	11/17/20

Chapter 13: Owners

Section Modified	Modification	Updated	Board Approval
13-I.D	Leasing to relative policy change. Effective 10/21/14 for new requests and grandfathers clients already approved under old policy for up to 10 years or until they move	10/21/14	10/21/14
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
13-I.B	Modified policy on maintaining a list of owners willing to lease a unit to an eligible participant. Owners will be given links to affordable housing listing services and Applicants and Participants will be referred to those listing services when searching for a unit.	12/17/18	3/19/19
13-I.D	Added date parameter for clarification to the policy that current contracts [in place prior to June 1998] on behalf of owners and families that are related may continue	1/23/2019	3/19/19
13-I.A	Added HCV Landlord Strategy Guidebook for PHAs to references Recruitment: Added requirement to ensure that outreach materials are accessible for individuals with communications-related disabilities and those with limited English proficiency HASCO Policy: Added apartment associations and industry investor groups to the list of groups to engage. Added "To the extent practical, partnering with and attending events hosted by other area agencies to deliver information about the HCV program"	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
13-I.D	Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]: Removed two items that were redundant because they are also included in the list of violations of obligations under the HAP contract.	10/30/20	11/17/20
13-II.C	Added that HAP payments are considered to be paid on time if they are paid or deposited by the 5th of the month.	10/30/20	11/17/20
13-II.G	New Section: FORECLOSURE [NOTICE PIH 2010-49]: Discusses tenant protections under the Protecting Tenants at Foreclosure Act and HASCO's role in transferring ownership information and informing the tenant of their continued responsibilities if they stay at the property	10/30/20	11/17/20
13-I.D	Conflict of Interest [24 CFR 982.161; HCV GB, Form HUD-52641, Section 13] – added: " Such "covered individual" may not have 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 for one year thereafter. Immediate family member means the spouse, parent (including a stepparent), child (including a stepchild), grandparent, grandchild, sister, or brother (including a stepsister or stepbrother) of any covered individual."	8/15/22	9/15/22

Chapter 14: Program Integrity

Revision Number(s)	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
14-II.C	Added harassment and retaliation to the list of items that will be considered evidence of owner program abuse from the latest Nan McKay update	10/1/19	11/19/2019
14-II.D	Clarified that funds for <u>direct</u> reimbursement must come from admin fees	10/1/19	11/19/2019
14-II.D	Per PIH 2007-27, added HASCO Policy "HASCO may reimburse participants for an overpayment of the total family share through an increase in HAP to the landlord and a decrease in the family share until the overpayment is fully compensated."	5/1/2020	5/19/2020

Chapter 15: Special Housing Types

Revision Number(s)	Modification	Updated	Board Approval
15-VII.A	Reduced maximum loan amount to \$50,000, previously \$75,000	10/15/13	10/15/13
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
15-VI.C	Payment Standards, Space Rent, Utility Allowance	5/21/17	N/A
15-VI.C	Housing Assistance Payment	5/21/17	N/A
15-VII.G	Home Inspections	5/21/17	N/A
15-II	Moved the HASCO Policy statement that the Homeownership program is closed to new applicants to the top of the Part, above the overview section. Clarified that the section is still included for policy and guidance of the remaining homeownership participants	5/1/2020	5/19/2020
Introduction	Changed policy - HASCO will now permit Shared Housing for anyone who qualifies. Added: "A single unit cannot be designated as more than one type of special housing. HASCO cannot give preference to households that wish to live in any of these types of housing and cannot require households to select any of these types of housing [New HCV GB, Special Housing Types, p. 3]."	8/15/22	9/15/22
Entire Chapter	Added updated background and references from Nan McKay Template update	8/15/22	8/19/22
15-IV.A	Added HASCO Policy "Other residents sharing the unit are considered roommates. They are not added to the voucher as family members and have no rights to the voucher. See section 3-I.B for details on Family, Household, and Roommates."	8/15/22	9/15/22
15 IV.B	Added examples provided by Nan McKay Template update	8/15/22	9/15/22

Chapter 16: Program Administration

Section Modified	Modification	Updated	Board Approval
16-II.B	HUD Temporary Provisions are extended through 3/31/15	12/17/13	12/17/13
16-II.B	Revised regarding Requests for Exception Payments Standards for Persons with Disabilities as a Reasonable Accommodation in accordance to HUD Notice PIH 2013-18	3/18/14	3/18/14
16-IV	Updated Payment Agreement policies	11/14/16	11/14/16

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
16-III.D	Pre-Hearing Right to Discovery	5/21/17	N/A
16-V.C	SEMAP Indicator 13: Lease-up	5/21/17	N/A
Exhibits	VAWA Exhibits 16-1 and 16-2 have been replaced with new Exhibits 16-1 through 16-5	5/21/17	N/A
16-IV	Owner or Family Debts to the PHA	12/7/17	N/A
16-II.B	Added section "Voluntary Use of Small Area FMRs" from the latest Nan McKay template.	10/1/19	11/19/2019
16-IV.B	Repayment Agreement [24 CFR 792.103], Late or Missed Payments: Deleted "Once a payment is missed, the monthly payment amount due will be adjusted so the debt will be paid in full according to the repayment schedule.". We are no longer adjusting the monthly amount due.	5/1/2020	5/19/2020
16-II.B	Updating Payment Standards: HASCO Policy: Changed the statement that HASCO "will" review the quality of units selected by the participants when determining tenant's portion of rent to "may" review. Changed requirement for effective date of updated payment standards to "determined at the time of update" Exception Payment Standards [24 CFR 982.503(c)(5), Notice PIH 2018-01]: added reference to Notice PIH 2018-01, updated the language regarding ability to establish small area fair market rents, and indicated in HASCO Policy that HASCO is not adopting exception payment standards.	10/30/20	11/17/20
16-III.B	Decisions Subject to Informal Review [24 CFR 982.554(a) and (c)]: Added reference to 24 CFR 982.554(a) and (c). Removed suspension of a voucher as an item that informal reviews are not required for. NEW SECTION: Remote Informal Reviews: identifies policies and processes for remote informal reviews including when they will be used NEW SECTION: Conducting Remote Informal Reviews: identifies that HASCO must ensure the applicant has the right to hear and be heard and discusses how remote informal reviews will be conducted.	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
16-III.C	<p>NEW SECTION: Remote Informal Hearings: identifies polices and processes for remote informal hearings including when they will be used</p> <p>NEW SECTION: Conducting Informal Hearings Remotely: Identifies that HASCO will ensure due process and provide full access to remote hearings</p> <p>Informal Hearing Procedures: Notice to the Family [24 CFR 982.555(c)]: HASCO Policy: Added notifying the family that they may request a remote informal hearing to the list of items to include when notifying the family of an informal hearing.</p> <p>Informal Hearing Procedures: Notice to the Family [24 CFR 982.555(c)]: Scheduling an Informal Hearing [24 CFR 982.555(d)]: changed the grace period for late arrival to 20 minutes and added “If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, HASCO’s decision will stand.”</p> <p>Informal Hearing Procedures: Notice to the Family [24 CFR 982.555(c)]: Pre-Hearing Right to Discovery [24 CFR 982.555(e)]: Added information for evidence discovery for remote hearings and that HASCO will not require pre-hearing discovery of family documents for in-person hearings</p>	10/30/20	11/17/20
16-III.B	<p>Scheduling an Informal Review: changed days in which a person must request an informal review from 15 to 10 business days. Changed days in which HASCO must schedule and send written notice of the informal review from 15 to 10 business days. Added that HASCO will provide specific information with the notice if the informal review will be conducted remotely.</p> <p>Remote Informal Reviews [Notice PIH 2020-32]: Clarified HASCO’s ability to conduct remote informal reviews and that applicants may request an in-person formal review.</p> <p>Ensuring Accessibility for Persons with Disabilities and Individuals with LEP: Added requirements for ensuring accessibility for persons with disabilities and individuals with LEP during remote informal reviews.</p> <p>Conducting Remote Informal Reviews: Added more detailed policies regarding how to conduct remote informal reviews.</p>	6/15/21	9/21/21

Section Modified	Modification	Updated	Board Approval
16-III.C	<p>Added that HASCO will offer participants the opportunity for an informal hearing if HASCO denies a request for a reasonable accommodation. Clarified HASCO's ability to conduct remote informal reviews hearings and that applicants may request an in-person formal review or hearing. Added requirements for ensuring accessibility for persons with disabilities and individuals with LEP during remote informal reviews and hearings. Added more detailed policies regarding how to conduct remote informal reviews and hearings .</p> <p>Changed days in which a person must request an informal hearing from 15 to 10 business days. Changed days in which HASCO must schedule and send written notice of the informal hearing from 15 to 10 business days. Added that HASCO will provide specific information with the notice if the informal hearing will be conducted remotely. Clarified that HASCO will accept pre-hearing documents from the participant through the mail, email, or text.</p> <p>Rephrased hearsay evidence to clarify that HASCO generated reports and communications are not considered hearsay for the purpose of informal hearings.</p>	6/15/21	9/21/21
16-III.C	<p>Removed that HASCO will offer participants the opportunity for an informal hearing if HASCO denies a request for a reasonable accommodation because there is already a formal grievance path for reasonable accommodations.</p> <p>Clarified timing for HASCO to provide the family with hearing materials (5 business days prior to scheduled remote hearing) and log in information for the conference video/call (1 business day prior to the hearing) to align with other policy sections.</p> <p>Clarified which procedures apply to in-person hearings and which apply to remote hearings.</p> <p>Aligned timing of sending hearing packet to the family with other policy sections.</p> <p>Changed the timing of participant submitting evidence from 24 hours to 2 business days prior to remote hearings to ensure the hearing officer receives the evidence prior to the remote hearing.</p>	11/5/21	11/16/21

Section Modified	Modification	Updated	Board Approval
16-IV.B	Family Debts to HASCO: HASCO Policy: Changed appeal of overpayment determination from an informal hearing to an informal review. General Repayment Agreement Guidelines for Families: Late or Missed Payments: HASCO Policy: added reference and link to chapter 12.	3/1/22	3/22/22
PART I	Added, from Nan McKay Template update, that admin fee can be used “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”	8/15/22	9/15/22
16-IV	Updated language and policy references and rearranged section information based on Nan McKay Template. No substance or policy was changed.	8/15/22	9/15/22
16-VI.B	Added record retention times with citations from Nan McKay template.	8/15/22	9/15/22
16-VII.C	Corrected HASCO Policy section to say we provide quarterly reporting to Washington State Dept of Health, not the local health department.	8/15/22	9/15/22
16-III.B	HASCO Policy: Clarified that Informal reviews will be conducted remotely unless otherwise requested by the applicant.	3/1/23	3/21/23
16-III.C	HASCO Policy: Clarified that Informal Hearings will be conducted remotely unless otherwise requested by the participant.	3/1/23	3/21/23
16-IV.B	Family Debts to HASCO: readded HASCO Policy section that was inadvertently overwritten in at the last Admin Plan update. General Repayment Agreement Guidelines for Families; Payment Thresholds: NEW POLICY: UAP Overpayment amounts \$100 or less will not be pursued for repayment if the funds are no longer available on the prepaid card provided by HASCO.	3/1/23	3/21/23

Chapter 17: Project-Based Vouchers

Section Modified	Modification	Updated	Board Approval
17-IX.C	Utility Reimbursement – Payments sent directly to family	8/20/13	8/20/13
17-II.B	Update to advertising for request for proposal 9RFP); rating for proposals, and proposals must be submitted in writing	5/17/16	5/17/16

Section Modified	Modification	Updated	Board Approval
Entire Chapter	Brought in line with current Nan McKay template	3/21/17	3/21/17
17-I.A	new Units Not Subject to the PBV Program Limitation	5/21/17	N/A
17-II.B	Units Selected Non-Competitively	5/21/17	N/A
17-II.F	Exceptions to 25 Percent per Project Cap	5/21/17	N/A
17-III.D	Pre-HAP Contract Inspections	5/21/17	N/A
17-VIII.A	Contract Termination or Expiration	5/21/17	N/A
17-II.F	Deleted <i>Non-Compliance with Supportive Services Requirement</i>	5/21/17	N/A
17-V.C	Adding contract units	4/15/18	N/A
17-VII.C	Updated language in Emergency Transfers under VAWA section to clarify options for emergency transfer from PBV units and remove outdated references to public housing units.	12/17/18	3/19/19
17-VI.C , 17-VI.D	Updated language to clarify the policy and refer to the applicable waitlist selection information in Chapter 4	3/13/19	3/19/19
17-I.A	Inserted reference to new exhibit 17-1 from the latest Nan McKay update	10/1/19	11/19/2019
Exhibit 17-1	Inserted new exhibit from the latest Nan McKay template. This includes an information sheet for each of the PBV properties we serve	10/1/19	11/19/2019
17-II.B	Units Selected Non-Competitively [FR Notice 1/18/17 ; Notice PIH 2017-21; 24 CFR 983.51(b)] : Added reference to 24 CFR 983.51(b). Added information about HASCO's responsibilities if we choose to attach PBVs to projects owned by HASCO. HASCO-Owned Units [24 CFR 983.51(e), 983.59, FR Notice 1/18/17, and Notice PIH 2017-21]: Clarified that the policies here also apply to non-competitive selections and that if HASCO selects a proposal for housing that is owned or controlled by HASCO, HASCO must identify the entity that will review HASCO's proposal selection process and perform specific functions with respect to the term of the HAP contract.	10/30/20	11/17/20
17-II.E	Changed references to "[24 CFR 983.55, NOTICE PIH 2013-11, AND FR NOTICE 2/28/20]" and updated guidance in alignment with the updated Nan McKay template.	10/30/20	11/17/20

Section Modified	Modification	Updated	Board Approval
17-II.F	Promoting Partially Assisted Projects [24 CFR 983.56(c)]: Clarified that the per-project cap has to be less than 25 units or 25 percent of units.	10/30/20	11/17/20
17-III.D	Pre-HAP Contract Inspections [24 CFR 983.103(b) and Turnover Inspections [24 CFR 983.103(c): Moved reference to FR Notice 1/18/17, and Notice PIH 2017-20 from Turnover Inspections to Pre-HAP Contract Inspections as well as the language that HASCO may adopt a policy to enter into contracts for units that have not yet fully passed HQS and added a HASCO Policy section stating that HASCO will not be providing assistance before a passed HQS inspection.	10/30/20	11/17/20
17-VI.G	Owner Responsibility: Removed specific examples of screening criteria; replaced with “The owner should use their standard screening criteria to determine suitability for tenancy, and observe all requirements in this area as directed in the signed HAP contract.”	10/30/20	11/17/20
Exhibit 17-1	Added exhibit for Station Place. Updated exhibits for properties that had updates.	10/30/20	11/17/20
17-I.A	Clarified language regarding ability project base up to 30% of our total vouchers and within the 20% cap	6/15/21	9/21/21
17-II.G	Added “Choice Neighborhood” as an example of census tracts with low poverty	6/15/21	9/21/21
17-IV.C	Removed subsection “Equal Opportunity [24 CFR 983.154(d) and (e)] per updated Nan McKay Template	6/15/21	9/21/21
Exhibit 17-1	New PBV Development Info Sheet added for Compass Health Broadway PSH project	11/5/21	11/16/21
17-I.A	Added FUP and FUP-FYI PBV information from Nan McKay template. NOTE: HASCO does not have FUP or FUP-FYI vouchers PBV’d and has no plans to do so.	8/15/22	9/15/22
Exhibit 17-1	Added, from Nan McKay Template, sections for Structure Type, Housing Type, Utility Responsibility (in table format), and FUP/FYI units.	8/15/22	9/15/22
Exhibit 17-1	East Terrace II – removed HIV/AIDS from the target population and preferences	3/1/23	3/21/23

Chapter 18: Special Purpose Vouchers

Section Modified	Modification	Updated	Board Approval
Entire Chapter	New Chapter Added. This chapter describes HUD regulations and HASCO policies for administering special purpose vouchers: FUP, FYI, VASH, Mainstream, and NED categories I and II. Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to special purpose vouchers.	8/15/22	9/15/22

Temporary Policy Supplement – Emergency Housing Vouchers (EHV)

Section Modified	Modification	Updated	Board Approval
Supplement	Added supplement for the new voucher program policies	6/15/21	9/21/21
TPS-V.E	Coordination of Services – Added clarification to the HASCO Policy section “When HASCO is the receiving PHA, HASCO will provide services up to the maximum agreed upon by HASCO and the initial PHA.”	8/15/22	9/15/22

Glossary

Section Modified	Modification	Updated	Board Approval
Entire Appendix	Addition of acronyms and definitions associated with the Mainstream voucher program, the Mainstream local preference, and other targeted voucher programs administered by HASCO	10/16/18	10/16/18
At Risk of Becoming Homeless	Clarified definition to include extremely low income families that are severely cost burdened as defined by HUD and establish HQS overcrowding standards rather than Census Bureau standards.	1/17/19	3/19/19
Exiting a Permanent Supportive Housing Program	Added a definition for the purposes of determining eligibility for the local preference	10/30/20	11/17/20
Acronyms	Added COC (Continuum of Care) and EHV (Emergency Housing Voucher)	6/15/21	9/21/21
Acronyms	Added FSHO, FUP-Y, and FUP-FYI	3/1/22	3/22/22
Definitions	Added to definition of “Family”: A single person who is a youth	3/1/22	3/22/22

Section Modified	Modification	Updated	Board Approval
	Youth: For the purposes of the Family Unification Program, individuals ages 18-24 who left or are leaving foster care and lack adequate housing		
Acronyms	Added: <i>DCYF</i> - Washington State Department of Children, Youth, and Families <i>DOH</i> – Washington State Department of Health <i>IVT</i> – Income Validation Tool	8/15/22	9/15/22
Definitions	Added: <i>Family</i> – Added definition to align with definition provided in chapter 3. “A family is one individual or two or more individuals who may or may not be related by blood, marriage, adoption, or other operation of law and who either can demonstrate that they have lived together previously or certify that each individual’s income and other resources will be available to meet the needs of the family.” <i>Incapacitated person</i> - A person who is incapable of caring for themselves without a full-time caregiver. <i>Roommate</i> – New definition to clarify family members on voucher vs roommates in shared housing: “An individual living in a room of a housing unit whose income and other resources are not available to meet the needs of the family” <i>Welfare assistance</i> – updated definition from Nan McKay template	8/15/22	9/15/22

Appendix A – HUD Veterans Affairs Supportive Housing Program (VASH)

Section Modified	Modification	Updated	Board Approval
Appendix	Updated formatting	2/13/19	N/A
Appendix	Appendix deleted. Important features incorporated into body of the Admin Plan	10/1/19	11/19/2019

Appendix B – Family Unification Program (FUP)

Section Modified	Modification	Updated	Board Approval
Appendix	Appendix deleted. Important features incorporated into body of the Admin Plan	10/1/19	11/19/2019

Appendix C – Family Self Sufficiency

Section Modified	Modification	Updated	Board Approval

Appendix	Appendix deleted. Important features incorporated into body of the Admin Plan	10/1/19	11/19/2019
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Appendix B - Family Unification Program (FUP)

Section Modified	Modification	Updated	Board Approval
Appendix	Updated formatting	2/13/19	N/A
Section a.	Added mitigating circumstances for denial criteria	2/13/19	3/19/19
Introductory paragraph	Added the number of vouchers HASCO administers	2/20/19	3/19/19
Appendix	Appendix deleted. Important features incorporated into body of the Admin Plan	8/21/19	N/A

Appendix_Overcrowding: Project-Based Vouchers

Section Modified	Modification	Updated	Board Approval
Appendix	Removed the Appendix on overcrowding issued in 2008 as it has been updated in the Admin Plan in Section 17.	9/30/18	N/A

Appendix_ Ending Homelessness Program

Section Modified	Modification	Updated	Board Approval
Appendix	Removed the Appendix on administering the Ending Homelessness Program as the program ended in 2015	10/30/2018	N/A

Appendix_ Local Preferences Overview for Non-Project Based Voucher Assistance

Section Modified	Modification	Updated	Board Approval
Appendix	Removed the Appendix on Local Preferences Overview for Non-Project Based Voucher Assistance as it is incorporated in section 4-III.	10/30/2018	N/A

Appendix_ Public Housing Conversion to Vouchers

Section Modified	Modification	Updated	Board Approval
Appendix	Removed the Appendix on administering vouchers issued to Public Housing residents (Residents) as part of HASCO's Public Housing Conversion to Vouchers (the Conversion) as the conversion was completed in 2015.	10/30/2018	N/A

Form HUD-5831

Section Modified	Modification	Updated	Board Approval
Appendix	Removed the copy of HUD-5381 from the end of the Admin Plan as it was duplicative of Exhibit 16-3	10/30/2018	N/A