



# Housing Choice Voucher Administrative Plan



Written in accordance with 24 CFR Part 982  
City of Bowling Green-Housing Division

Updated and Approved April 2024

# City of Bowling Green Housing Division KY171

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## A. STATEMENT OF POLICIES AND OBJECTIVES

The Housing Choice Voucher Program (Section 8 Program) was created by the Housing and Community Development Act of 1974 and was amended by the Housing and Community Development Act of 1981, the Housing and Urban-Renewal Recovery Act of 1983, the Technical Amendments Act of 1984, and the Housing and Community Development Act of 1987.

Administration of the Housing Programs and the function and responsibilities of the agency staff shall be in compliance with the Personnel Policy of the City of Bowling Green, the Equal Opportunity Plan, and the Housing Choice Voucher Program Administrative Plan. All Federal, State, and Local Housing Laws will be followed and the BGHD will comply with Fair Housing Regulations, including the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Title II of the American with Disabilities Act.

Conduct of agency staff is governed by the Administrative Personnel Policy and Procedures Manual of the City of Bowling Green; conflict of interest issues are addressed in Chapter VI, Section 6-3. Additionally, all agency staff signs an *EIV Rules of Behavior and User Agreement* and *Computer Ethics Policy Compliance Statement*.

### ***HOTMA CHANGES PENDING HUD APPROVAL HOUSING OPPORTUNITITES THROUGH MODERNIZATION ACT (HOTMA) OF 2016 (PIH Notice 2023-27)***

*The Housing Opportunity Through Modernization Act of 2016 (HOTMA) was enacted on July 29, 2016. On February 14, 2023, HUD published a final rule implementing Sections 102 and 104 of the HOTMA Act of 2016.*

- Section 102: Income & Reexaminations
- *Section 104: Maximum Asset Limits & Asset Exceptions*

*Many of the provisions of HOTMA are intended to streamline administrative processes and reduce burdens on HDs, thereby also reducing burdens on participants. This Administrative Plan includes policies which reflect HOTMA provisions related to Sections 102 and 104. HUD is requiring the Housing Division (HD) to update this Administrative Plan to reflect HOTMA provisions with the HD's Annual Plan; however, they are allowing additional time to bring the software system into compliance. Once all systems have been updated and HD receives HUD approval, new HOTMA policies will be in effect.*

### **Rules and Regulations**

All issues not addressed in this document related to tenants and participants are governed by Housing Choice Voucher Program Guidebook, federal regulations, HUD Memos and Notices, and guidelines or other applicable law.

## **References**

1. BGHD: City of Bowling Green Housing Division
2. HCV: Housing Choice Voucher Program, the rental assistance program.
3. HUD: U. S. Department of Housing and Urban Development, the funding agency.
4. WL: Housing Choice Voucher Waiting List.
5. HM: BGHD Executive Director-Housing Division Manager
6. Inspector: Housing Support Specialist Recertification Specialist: Housing Recertification Specialist
7. HS: Housing Support Specialist

## **Program Mission**

The mission of the HCV Program is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination. The primary goal of the BGHD is to extend rental assistance to eligible families of very low income for tenancy in existing housing that is decent, safe, and sanitary. The key element of the HCV Program is that the subsidy is tied to the family rather than to a particular unit.

The BGHD assumes four main responsibilities as administrator for HUD:

1. Certification and recertification of tenants;
2. Approval of units and leases;
3. Payment of housing assistance to the owner; and
4. Monitoring program performance and compliance with federal and local rules.

## **Fair Housing Policy**

It is the policy of BGHD to comply fully with all Federal, State, and local non-discrimination laws in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The BGHD shall not on account of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, handicap or disability deny any family or individual the opportunity to apply for or receive assistance. The BGHD is committed to full compliance with applicable Civil Rights laws. The BGHD will provide Federal/State/Local information to Voucher holders regarding discrimination and any recourse available to them should they feel they have been the victim of discrimination. Such information will be made available to them during the family briefing session and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's packet. BGHD staff will be available to aid persons who claim illegal discrimination and will make referral to Kentucky Legal Aid or Bowling Green Human Rights Commission for further assistance as needed.

The BGHD will affirmatively promote Fair Housing by actively working to address the

Impediments to Fair Housing identified in the Consolidated Plan as listed below:

1. Lack of landlord education about discrimination and Fair Housing laws.
2. Language and Cultural differences.
3. Lack of accessible units.
4. Lack of transition services for persons leaving prison.
5. Cumbersome and lengthy legal system for evictions.

**Limited English Proficiency Policy (LEP)**

All persons seeking assistance through the HCV Program and associated services shall be afforded all rights pursuant to Title VI of the Civil Rights Act of 1964, HUD's LEP regulations, and City of Bowling Green Language Access Plan. The BGHD will utilize the following resources when providing services to LEP individuals/families:

1. Bilingual agency staff; or
2. Interpreters; or
3. Telephone interpreting service.



## **B. BGHD HISTORY**

The BGHD began its Section 8 Housing program in 1981 with the Section 8 Certificate program. The BGHD later added the Voucher Program, in 1991 added a Homeless Voucher Program, and in 1998 added the NED Voucher Program targeting the disabled. On October 1, 1999 the Certificate and Voucher Programs were merged into the Housing Choice Voucher Program (HCV). In 2011 the BGHD changed its name to City of Bowling Green Housing Division.

### **Organization Structure**

The organizational members of the BGHD are the Executive Director (Housing Division Manager), Recertification Specialist and Housing Support Specialist.

1. Housing Division Manager serves as Executive Director of the Public Housing Agency and supervise all activities of the Housing Division

Director will develop HCV budget, HUD Annual Reports, Voucher Management System monthly reports, quarterly reports and Financial Assessment System for Public Housing (FASS-PH) year-end submission of unaudited and audited data. Additionally, the Director will be responsible for the drafting and approval of reports, plans, and policies, oversight of the HCV Program and Housing Division staff supervision.

2. Recertification Specialist

The purpose of this position is to administer the Housing Choice Voucher Program to elderly, disabled, handicapped and low-income families. Duties include annual recertification, fraud control and preparing monthly landlord and utility checks and maintaining payments register.

3. Housing Support specialist (Intake)

Serves as Housing & Administration division's receptionist: Duties include receiving and directing visitors and phone calls, maintaining and updating various records, receiving and posting various payments, receiving and filing various documents, verification of newly reported income changes and performing various clerical functions. Duties also include performing intake interviews, calculating tenant's total payments, running background checks, providing briefings and issuing vouchers.

5. Housing Support Specialist (Inspector)

Conducts all physical inspections of leased units under the HCV program (new, biannual, re-inspections and unit complains). Enters inspection data, creates notices, approves/denies RTA's and updates and maintains rent comparable records. Serves as a backup for Housing Support Specialist (Intake).

## **Legal Jurisdiction**

The legal jurisdiction for the HCV Program is the corporate city limits of Bowling Green, Kentucky including all annexed areas.

## C. OUTREACH

### Family Outreach

It shall be the policy of the BGHD to aggressively promote the HCV Program through public service announcements, brochures, local radio, advertising in local newspapers, and community organizations. If initial outreach efforts do not produce the necessary application group, adjustments for additional recruitment will be made. In order to target the “least likely to apply” applicants, the BGHD will release information through neighborhood groups, churches, commercial establishments, and social service agencies if there is a need for outreach demonstrated by the applicant pool.

### Owner Outreach

The HC manages outreach to owners and managers to assure diverse participation in the program and comprehension of regulations. Participation by landlords who own property outside of poverty concentration areas (census tracts 101, 102, and 103) is encouraged and promoted in the following ways:

- The BGHD will make landlord brochures available to potential landlords to provide information about the program.
- The BGHD will maintain a list of landlords who participate, or have expressed an interest in participating, in the HCV program and includes list in briefing.
- The BGHD will provide maps, employer information, community resources and other information during briefing.
- The BGHD periodically advertises in the local newspaper, encouraging participation by landlords outside the identified areas.
- The BGHD identifies rental property located outside the identified areas and targets these owners/managers in recruitment efforts.

### Owner Debarment

If the BGHD has knowledge, the BGHD will not enter into a Payments Contract with any owner who:

- (1) has been debarred, suspended or is subject to a limited denial of participation,
- (2) has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- (3) has engaged in drug related or violent criminal activity,
- (4) fails to evict tenants who engage in drug related or violent criminal activity,
- (5) has a history of non compliance with HQS/IPMC standards,
- (6) has outstanding state or local real estate taxes, fines or assessments.

The BGHD will consider debarment of an owner in the following, but not limited to circumstances:

- a. Repeated or flagrant failure to correct HQS violations.

- b. Repeated or flagrant misrepresentation of facts pertinent to the approval of a Request for Tenancy.
- c. Repeated or flagrant failure to notify BGHD of tenant move-out in a timely manner.
- d. Repeated or flagrant breach of HAP contract.
- e. Failure to provide comparable records when requested.
- f. Collection of excess tenant rent above what is approved by the BGHD.
- g. Failure to repay a HAP overpayment

### **Tenant Information Shared**

Upon request, certain family information will be disseminated to potential landlords to aid them in their tenant screening process. Tenant information which will be shared includes: current and past addresses and/or landlords known to BGHD; unpaid rent and/or damage claim history; prior court evictions and/or prior terminations from the program.

### **Tenant Screening**

The BGHD does not screen for suitability as a tenant. The BGHD does screen for program eligibility regarding the following:

- 1. past or pending violent criminal arrests
- 2. past or pending drug or alcohol arrests
- 3. ineligibility due to past terminations
- 4. debt owed to this or other BGHD
- 5. income eligibility
- 6. registration as a sex offender

## D. ELIGIBILITY

To be eligible for admission, a family must meet HUD's criteria for eligibility determination, as well as any additional criteria established by the BGHD. The BGHD imposes no residency requirements.

### Income Limits

Annual Income shall not exceed the Very Low Income Limit as established by HUD and published in the Federal Register. Not less than 75% of new admissions during any fiscal year must have incomes at or below 30% of area median. Applicants on the Waiting List may be skipped when necessary to ensure compliance with the 75% standard. At any time that the BGHD finds it necessary in order to meet the 75% standard, some or all of the admissions preferences may be suspended until such time that the 75% standard has been met. Other admissions must be at or below 50% of area median (VLI), or up to 80% of area median (LI) for families meeting the following criteria:

1. A low-income family continuously assisted.
2. A low-income family involuntarily displaced by government action.
3. A low-income family for admission into the HCV HO Program.

Once a family meets the Income Limit and is admitted to the program, they are considered "continuously assisted" and are no longer subject to the Very Low Income Limit. Portable families who are already leased in the initial jurisdiction are also considered "continuously assisted" and are not subject to any income test in the receiving jurisdiction. If the family has not leased in the initial jurisdiction, they are subject to the admission income limits of the receiving jurisdiction.

### **HOTMA ELIGIBILITY REQUIREMENT PENDING HUD APPROVAL**

*Under HOTMA, 24 CFR 5.618, the following ownership of assets will restrict the family from participating in HCV program:*

- *The family owns real property that is suitable for occupancy by the family as residence*
- *The family has assets in excess of \$100,000, as adjusted annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers.*
- *For current residents, HD will apply the asset limitation at annual reexamination. HD will allow residents to cure their noncompliance or provide more time to demonstrate they have cured their noncompliance before terminating assistance for a maximum of 6 months.*
- *The real property restriction does not apply to:*

- *Any property for which the family is receiving assistance under 24 CFR 982.620; or under the Homeownership Option in 24 CFR part 982;*
- *Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the non-household member resides at the jointly owned property;*
- *When a family asks for or about an exception to the real property restriction because a family member is a survivor of domestic violence, dating violence, sexual assault, or stalking. HD will accept a self-certification from the family member, and the restrictions on requesting documentation under § 5.2007 apply;*
- *Any family that is offering such property for sale;*
- *Does not meet the disability-related needs for all members of the family (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.);*
- *Is not sufficient for the size of the family;*
- *Is geographically located so as to be a hardship for the family;*
- *Is not safe to reside in because of the physical condition of the property (e.g., property's physical condition poses a risk to the family's health and safety and the condition of the property cannot be easily remedied).*

### **Mandatory Social Security Numbers, DOB and Citizenship**

Families are required to provide documentation of Social Security Numbers for all subsidized household members prior to admission. Acceptable evidence of the Social Security number consists:

- a. Valid Social Security card issued by the Social Security Administration.
- b. SSA-issued document, which contains the name and SS number of the individual.
- c. Original document issued by a federal or state government agency, which contains the name of the individual and the SSN of the individual.
- d. IRS Forms 1099 / W-2 form / Official tax transcripts

Per HOTMA policy: BGHD will attempt to gather third-party verification of SSN prior to admission, however, if a member of the family is unable to provide Social Security card or other evidence of their SSN, BGHD will accept a document stating the person's name and a declaration the person stating why they cannot obtain their Social Security card, and what their SSN is. BGHD will document why the other SSN documentation was not available. If the tenant's SSN becomes verified in EIV, then no further verification will be required. If the tenant's SSN fails the SSA identity match, then the BGHD will obtain a

valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The tenant's assistance will be terminated if they fail to provide the required documentation.

Requests to add a subsidized household member must be accompanied by documentation of the Social Security number and the proof of DOB for the new member. If a SSN has not been assigned to a newborn, an Alt ID will be issued and utilized until the SSN can be documented. Any income associated with the newborn or any other new member, will be added in accordance with the BGHD's reporting and processing policies.

Acceptable evidence of the DOB consists:

- a. Valid driver's license
- b. Identification card issued by a government agency
- c. Original document issued by a federal or state government agency, which contains the name of the individual and the DOB of the individual.
- d. Birth certificate or certificate of birth from the hospital
- e. INS document

The BGHD will consider a Declaration of Section 214 Status form signed by each household member as a proof of US Citizenship.

### **Residency Requirements**

There are no residency requirements for admission to the HCV Housing Assistance Program. Portability requires an established residence within the issuing jurisdiction:

- (1) New applicant must be a legal resident at the time the application for assistance was submitted (utility bills, school records a voter registration or similar records are acceptable forms of documentation)
- (2) A non-resident family will be required to lease a unit within jurisdiction for at least 12 months prior to exercising portability.

### **Other Admission Criteria**

Other criteria must be met for an applicant to be eligible for assistance under the BGHD's HCV Program:

1. The head of household must be at least 18 years of age. The BGHD does not recognize emancipation of minors.
2. The family must have paid any outstanding debt owed to the BGHD or another BGHD on any previous tenancy for Public Housing, HCV or other subsidized housing programs. Applicants found to have outstanding debts

to this or other BGHDs will not be admitted until debt is paid in full. A family which owes money to a privately owned housing corporation is not considered to be indebted to a BGHD unless and until a bona fide claim has been paid to the private owner by a HUD funded BGHD. At the time that a claim is paid to the private owner by a BGHD, the family becomes indebted to the BGHD and must pay the debt in full prior to admission into the HCV program. If the BGHD to whom the money is owed is in agreement, a Repayment Agreement may be executed and the payment-in-full rule waived. If the family owes a private owner at the time a voucher is issued and a claim is paid by a BGHD prior to lease-up, the family must pay the debt in full or the family may, with permission of the BGHDs, enter into a Repayment Agreement with the BGHD and agree to repay the debt to the BGHD.

3. During the three (3) years prior to admission the family was not terminated from the HCV program due to actions which include:
  - a. Eviction by court action or moved out to avoid eviction;
  - b. Evicted/terminated from public housing, Indian Housing, HCV or Section 23 program due to drug-related criminal activity;
  - c. Release from incarceration or conviction of drug-related or violent crime (if charged but not yet convicted, admission is delayed pending case disposition);
  - d. Program fraud;
  - f. Unauthorized person in household;
  - g. Failure to maintain subsidized unit to HQS standards, other than failure to pay utilities;
  - h. Abusive or threatening behavior toward BGHD staff;
4. Admission may not be delayed for prior termination which was a result of the following:
  - a. Failure to recertify;
  - b. Failure to provide requested documentation;
  - c. Failure to keep a scheduled appointment;
  - d. Expired moving voucher;
  - e. Tenant request, if otherwise in good standing
  - f. Failure to maintain tenant-paid utilities.
5. Any family member who have engaged in any violent criminal or drug related activity may be found ineligible for assistance for a period of three (3) years from the most recent date of conviction or release from incarceration. Drug Related/Violent criminal activity is further defined below under "Explanation of Drug Related/Violent Criminal Behavior".
6. If there has been an arrest but no disposition or final court decision in any case of drug-related or violent criminal activity, admission may be delayed



until the conviction or end of diversion period. However, if credible or a “preponderance of the evidence” is found to exist, that a family member has engaged in drug-related or violent criminal activity, the BGHD may deny assistance based on those facts.

7. No family member may have committed fraud in any federal, state, or local housing program.
8. No family member may have committed welfare fraud of any kind in any local, state or federal program.
9. Assistance will not be provided to any family member who is an alien, unless that alien is a resident of the U. S. and meets one of six categories of lawfully admitted aliens. All household members will be required to submit Section 214 Forms upon application and documentation of SSN prior to admission.
- 10 Under HOTMA, the new HUD-9886 form is only required to be signed by each adult household member at admission, addition of an adult member to the household, and/or when a member turns 18. It will not be required to be signed at each annual recertification and will remain in effect until the family is denied assistance, the family is terminated, or the family provides written notification to NHA to revoke consent. HD will terminate rental assistance or deny admission for any family with an adult member who revokes consent.
- 11 Applicants reaching the top of the waiting list who are determined to be ineligible for admission for any reason will not remain on the waiting list, but may reapply when the waiting list is open.

### **Explanation of Drug Related/Violent Criminal Activity**

1. Drug Related Criminal Activity means:
  - a. The manufacture, sale or distribution, the possession with intent to manufacture, sell or distribute, or use or possession of a controlled substance (as defined in the Controlled Substance Act);
  - b. For use or possession (other than with intent to manufacture, sell or distribute), if the family member demonstrates that
    - 1) He/she has an addiction to a controlled substance; and,
    - 2) Is recovering or has recovered from such addiction; and,
    - 3) Does not currently use or possess a controlled substance; and,
    - 4) Has successfully completed a supervised treatment program; and,
    - 5) At least 12 months have lapsed since completion of the program;then

Then the family shall not be denied admission to the program based solely on the criminal charges of possession or use.

2. Violent Criminal Activity means:
  - a. Any criminal activity that has one of its elements the use, or threatened use, of physical force against the person or property of another. HM shall review the police report and a determination made regarding the element(s) of violence.
  - b. Denial of admission or termination shall result if any of the following elements are present in the crime as reported in the police report narrative:
    - 1) Presence of a weapon.
    - 2) Physical contact via kicking, hitting, biting, etc.
    - 3) Shoving, in the absence of other physical contact, shall not be considered grounds for denial or termination.
    - 4) Verbal assault, in the absence of any physical contact, shall not be considered grounds for denial or termination of assistance.
    - 5) Actions, which are deemed to be in self-defense where the other party instigated the incident, shall not be considered grounds for denial or termination of assistance.
    - 6) Any activity which results in substantial property damage (\$1,000+)

### **Verification Procedure for Drug/Violent Criminal Activity or Alcohol Abuse**

1. Drug Related/Violent Criminal Activity

Verification that an applicant has not been involved in any drug-related or violent criminal activity will be accomplished by searching nationwide criminal records, local police records, or any other publicly available source for any family member age 18 or older. Monitoring arrest records daily and requesting copies of police reports and/or court documents will accomplish verification of drug-related or violent criminal activity on the part of an active tenant.

2. Alcohol Abuse

Verification that an applicant is not a chronic alcohol abuser will be accomplished by searching nationwide criminal records, local police records, or any other publicly available source for any family member age 18 or older. Records of three (3) or more alcohol related incidents during the 6-month period within previous 3 years will be evidence of chronic alcohol abuse and grounds for denial of admission. Records of three (3) or more alcohol related incidents on the part of an active tenant, during the 6-month period within previous 3 years will be evidence of chronic alcohol

abuse and grounds for termination.

### **Victims of Domestic Violence (VAWA)**

Victims of domestic violence will be protected from denial or termination of assistance per the Violence Against Women Reauthorization Act of 2005. An otherwise qualified applicant may not be denied admission on the basis that the applicant is or has been the victim of domestic violence, dating violence, or stalking. A household member may not be terminated on the basis that he/she is or has been the victim of actual or threatened domestic violence, dating violence, or stalking.

When the actions of a tenant, household member, or guest, other person under the control of the tenant call for the denial or termination of assistance and the tenant/applicant claims that he/she is the victim of domestic violence, dating violence, or stalking, the BGHD must ensure that the family is provided the protections afforded under VAWA.

### **Verification of Victimization**

The BGHD may request that an individual certify that he/she is a victim as described above and that the incident in question is a bona fide incident of actual or threatened abuse. The certification must include the name of the perpetrator and must be provided to the BGHD within 14 business days of the Notice of Termination or other notice by the BGHD. Certification will be provided via a completed *Certification of Domestic Violence, Dating Violence, or Stalking* form and accompanying police report.

If the perpetrator of the incident is a household member and has not been removed from the household by the courts, the victim may request that the perpetrator be allowed to remain in the household. In these cases, the perpetrator may be approved to remain in the household at the discretion of the BGHD under three conditions:

- a. The victim must complete and submit HUD-50066.
- b. The perpetrator must comply with, and provide documentation of compliance with, court orders such as court ordered assessments, treatment, etc.
- c. There are no future incidences of violence. Other incidences of violence will result in removal of the perpetrator from the assisted household or termination of assistance.

## **E. APPLYING FOR ADMISSION**

Families wishing to apply for any of the BGHD's programs must fill out an application in person/on line during the application submission period established by the BGHD.

### **Application Dates**

General applications will be taken as advertised. The HM has the authority to close the application waiting list at any time when the waiting list is too long and may exceed a one-year wait. At such time as the Waiting List (WL) is reopened, public notice will be advertised in a newspaper of general circulation. Area agencies which serve the target population will also be notified of the reopening of the WL. Applications will be distributed on a first come, first served basis without regard to race, color, religion, sex, familial status, handicap, or national origin. Applications are processed as received and applicants may check position on the WL at any time by visiting BGHD on-line portal.

### **Waiting List Procedures**

Applicants will be positioned on the waiting list based upon the number of preference points for which they are qualified, date and time of pre-application. Applicants who qualify for the highest number of preference points will be positioned ahead of those who qualify for fewer or no preference points on the waiting list. Changes to applicant's information should be reported via on-line portal or phone, mail or in person. Failure to update information may cause a delay or loss of notification when an applicant reaches the top of the list. The BGHD will notify applicants, by e-mail/mail that their name has come to the top of the waiting list and to complete an intake process within fourteen (14) days. The BGHD will not be responsible for the applicant's failure to receive an email or the letter. If the applicant fails to respond by the deadline date, the removal notice will be issued and his/her name will be removed from the waiting list. The BGHD does not accept responsibility for mail delays.

Upon receipt of all requested verification to determine final eligibility, the BGHD will meet the family for a briefing session and issue a voucher. If all requested certification(s) is not received within the prescribed time period (maximum) 14 days from initial interview) the applicant will become ineligible and will be removed from the waiting list. At any time the BGHD may determine that the family may not receive a Voucher because of fraud or failure to abide by program obligations of the HCV Program or any other subsidized housing programs.

### **Purging the Waiting List**

The BGHD may periodically update the WL to ensure that it is current and accurate. The BGHD will email/mail a letter to the applicant's last known address, requesting confirmation of continued interest in maintaining a place on the waiting list. The BGHD will not be responsible for the applicant's failure to receive the email/letter. The request letter will include a deadline date by which the applicant must respond to the BGHD. If the applicant fails to respond by the deadline date, his/her name will be removed from the waiting list. The BGHD does not accept responsibility for mail delays.

## **Admissions Preferences**

The BGHD may choose to accept applications for a special admission families with targeted funding (i.e., NED-nonelderly/disabled only; homeless only), or with a preference only, even if general applications are not being accepted. If the Waiting List is open for general applications, the BGHD will honor an Admissions Preference for persons meeting the following criteria:

1. Scholar House Preference (4 points) for families referred by the Scholar House Program who agree to live in the Scholar House facility, participate in the Scholar House Program and remain in good standing with the rules of the facility and the program. The Voucher issued pursuant to this preference will remain valid after the family successfully completes the Scholar House Program for as long as the family remains in good standing with the Voucher Program and income eligible. The Voucher will become void if family fails to comply with the participation criteria of the Scholar House Program or family is non-compliant with Voucher Program policies and/or HUD regulations. (See Appendix III)
  
2. Involuntarily Displaced Preference (4 points) for a family who has been displaced from their home due to *Government Action* including, but not limited to, condemnation, property acquisition, code enforcement, grant activity or a Federally declared disaster. In the event the Waiting List is closed to new applicants, these applications will continue to be accepted.
  - a. First priority will be given to families who are current HCV or public housing participants.
  - b. Second priority will be given to families who are not current HCV or public housing participants.
  - c. Verification must be provided in the form of a notice of displacement or letter of referral from the agency which displaced the applicant or the Director of Neighborhood & Community Services.
  
3. Local Residency Preference (2 points) for families who:
  - a) Reside in and remain in City of Bowling Green Housing Division's jurisdiction (City Limits of Bowling Green) while on the waiting list. Eligibility must be demonstrated by having a permanent physical residence within the jurisdictional area. Physical residence shall be defined as a domicile with a mailing address, other than a post office box, for which the applicant can produce any of the following:
    - i) Utility bill issued within 30 days (electric, water, refuse, telephone land/cell, cable or gas), or
    - ii) Benefit letter issued within 30 days (from Social Security Office, Food Stamps, Welfare Office or retirement), or
    - iii) Paystub issued within 30 days.
  - b) Working or who have been notified that they are hired to work in City of Bowling Green Housing Division's jurisdiction (City Limits of Bowling Green) while on the waiting list. Eligibility must be demonstrated by providing any of the

following:

- i) Most recent Paystub that indicates the name of the applicant along with a physical address of employment site.
- ii) Employment form or a Statement from the current employer verifying name, employment status and the address of the job site.

Full-time students enrolled or active participants in education and training programs located within the City of Bowling Green preference area will not qualify for the residency Preference solely based on their enrollment.

Residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family. (24 CFR 982.207)

4. Homeless Preference (1 point) for a family who

- a. Lacks fixed, regular, and adequate nighttime residence; and,
- b. Has primary nighttime residence that is a local supervised public or privately operated shelter designated to provide temporary living or receives homeless services by an approved homeless service organization and provides case management services to the family; and
- c. Provides documentation from the local shelter or the approved homeless service organization program director that indicates the family resided at the shelter for at least 30 of the past 45 days or the family completed homeless services and is prepared for permanent housing and will continue to receive case management services. If the applicant meets the 30-day criteria but has moved from the shelter, a determination will be made on a case-by-case basis regarding retention of the preference. The applicant will be considered to be "homeless" if one of the following criteria exists:
  - 1) The applicant has moved from the shelter but has not relocated to permanent housing (i.e., is staying with relatives or friends).
  - 2) The applicant has relocated to permanent Housing but has a rent burden (contract rent + tenant paid utilities) which exceeds 50% of adjusted household income.
- d. No more than 25% of those applicants contacted for final eligibility interview shall be Homeless Preference applicants.
- e. Verification must be provided in the form of a referral letter from the homeless shelter provider or homeless service organization program director.
- f. Approved homeless service organizations and homeless shelters consist of HOTEL INC, BRASS, Salvation Army and Lifeskills, Inc.
- g. For homeless applicants, the Local Residency preference will apply if the applicant had been living in City Limits of Bowling Green prior to becoming homeless (must provide documents to verify prior residency).

5. Mainstream Homeless Preference (5 points) EXPIRED for non-elderly persons (18 years of age or older and less than 62 years of age) with disabilities who meet any of the following conditions:

- a. Transitioning out of institutional and other segregated settings.

- b. At serious risk of institutionalization.
- c. Currently experiencing homelessness.
- d. Previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project.
- e. At risk of experiencing homelessness.

Verification must be provided in the form of a referral letter from the approved local partnering organizations that provide a support to homeless persons with disabilities. Approved local organizations consist of: Bowling Green Human Rights Commission, DCBS/Adult Protective Services, Department of Veterans Affairs Healthcare System, HOTEL INC, LifeSkills, and Salvation Army.

This is a limited preference provided for the initial number of leased vouchers. If there is no one on the waiting list that meets the preference criteria, the BGHD will issue the voucher to the next family qualified for the Mainstream voucher. Once the initial Mainstream vouchers are served, preference expires.

All claims for above preferences will be verified based on current circumstances at the time preference is selected and during the time the applicant is selected from the waiting list and processed for initial eligibility.

If during the eligibility interview it is determined that the applicant is no longer eligible for any of the preferences claimed, the family will not receive the preference and will be placed back to the WL according to the date and time of pre-application.

### **Special Admissions – Targeted Funding**

If HUD awards program funding to BGHD that is targeted for specifically named families, BGHD will admit these families under a special admission procedure. Special admission families will be admitted outside of the regular waiting list process. The following special admission programs are administered by BGHD, subject to availability:

- A. Non-Elderly, Disabled (NED) Families
- B. HUD-Veteran Affairs Supportive Housing (HUD-VASH)
- C. MS5-Mainstream Vouchers
- D. SV-Stability Vouchers

#### **1. NED (Non-Elderly/Disabled Vouchers)**

NED Vouchers are reserved for those families which head of household, spouse or co-head is non-elderly (under age 62) person with disabilities. The BGHD may skip non-qualified families on the WL when a NED Voucher is available.

#### **2. HUD-VASH (Veterans Affairs Supportive Housing Vouchers)**

BGHD was allocated HUD-VASH vouchers to serve homeless Veterans in partnership with the Veterans Affairs Tennessee Valley Healthcare System (VATVHS). VASH vouchers are reserved for those families that are being referred by the VATVHS. Generally, the HUD-VASH program will be administered in accordance with 24 CFR

982, however, HUD issued the regulatory waivers, requirements and alternative requirements that can be found in the following:

- a) PIH Notice 2017-21
- b) Federal Register/Vol 77, No. 57
- c) PIH Notice 2011-53
- d) On the HUD-VASH website at [www.hud.gov/offices/pih/programs/hcv/vash/](http://www.hud.gov/offices/pih/programs/hcv/vash/).
- e) Federal Register/Vol. 89 Bi, 156

Effective 8/13/2024, minimum rent for VASH participants will be set as \$0.

### 3. MS5 (Mainstream Vouchers)

MS5 vouchers are reserved for families composed of one or more non-elderly person (18 years of age or older and less than 62 years of age) with disabilities, which may include additional members who are not non-elderly persons with disabilities. The BGHD may skip non-qualified families on the Waiting List when MS5 vouchers become available.

### 4. SV (Stability Vouchers)

Stability Vouchers were allocated to the BGHD in partnership with local Continuum's of Care (CoC) partnering agencies and CoC-funded supportive services. SV vouchers are reserved for those that have been directly referred from CoC as eligible applicants. In order to be eligible for and SV, a household must meet one of four eligibility criteria:

- a. Individuals and families who re currently experiencing homelessness (unsheltered and sheltered);
- b. Individuals and families at risk of homelessness;
- c. Individuals and families fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault; and
- d. Veterans and families that include a veteran family that meet one of the preceding criteria.

SV Program will be administered in accordance with HUD Notice PIH 2022-24 (HA) and will apply all waivers and alternative requirements except establishing separate and applying higher payment standards.

## **Notification and Intake Process**

1. As vouchers are available, families from the Waiting List will be notified by email/mail to complete a full application within 14 colander days. BGHD staff will then contact family for an intake interview to review the application, update the information and identify items to be verified. A checklist will be given to the applicant, indicating verification items needed. Verification documents must be received by the BGHD within 14 days of the date of the initial interview. A Self Reporting Income Certification must be completed, listing any income for which verification is still being sought. This form is used to document attempts to secure verification of income. Missing the deadline for completing full application, conducting an intake interview or providing requested verifications may result in removal from the Waiting List and forfeiture of program eligibility.



2. Families receive a Briefing in the order in which all requested verification documents are collected. Briefings and voucher issuance are held one-on-one. Items disseminated and issues discussed are outlined on Appendix 1. Failure to complete the briefing in allotted time will result in removal from the waiting list.

## F. SUBSIDY AND OCCUPANCY STANDARDS

### Voucher Size Issued

1. HUD guidelines require that the BGHD establish standards for the determination of Voucher bedroom size and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The unit size on the Voucher remains the same between Annual Recertifications, or until the family moves, or family composition changes.
2. The subsidy standards are set up to allow for the following:
  - a. Unrelated persons age 18 or older (other than spouses or significant others) may have separate bedrooms;
  - b. Children of opposite sex may share the same bedroom as long as both children are under age six;
  - c. A child under the age of three may share a bedroom with a single parent;
  - d. Children of same sex may share a bedroom no matter of their age.
  - e. Reasonable Accommodation
    - 1) Reasonable Accommodation will be considered for any qualifying elderly or disabled family member.
    - 2) All requests for a Reasonable Accommodation must be requested by the family in writing or via submission of a Reasonable Accommodation Form completed by a physician or other knowledgeable professional to render an opinion about the person's needs .
    - 3) Extra bedroom as a reasonable accommodation may be subsidized to accommodate
      - a. Separate sleeping quarters for those household members who otherwise would be expected to share a bedroom.
      - b. Housing for a live in aide and family members of the live in aide (see Live-In Aide under Deductions in section G).
        - i. The live in aide must be identified, verified and approved by the BGHD.
        - ii. Live in aides do not have right of survivorship as a remaining member of the family for purposes of the voucher.
        - iii. Intermittent, multiple, or rotating care givers do not qualify as live in aides or extra bedroom subsidy.
      - c. Housing for medical equipment prescribed by a medical professional.
      - d. At biennial inspection, the inspector will verify that the extra bedroom is being utilized as intended.
      - e. If the extra bedroom is not being utilized for the intended purpose, the family's payment standard will be reduced at the next annual recertification.

- f. Space may be provided for a child who is away at school but who lives with the family during school recesses.

### **Payment Standards**

Payment Standards for incoming HCV Homeownership participants may vary from rental Payment Standards (PS) and will be calculated to allow for the maximum utilization of the HCV Homeownership Program without undue reduction in the availability of rental assistance. The following criteria will be considered when setting Homeownership

- 1) Availability and cost of suitable homes to buy
- 2) Suitability for long term occupancy
- 3) Resale viability
- 4) Voucher funding availability

If the family chooses a smaller unit than would be allowed under occupancy standards, subsidy will be based on the smaller unit and will be subject to approval for occupancy by the family by the inspector.

The unit must provide family adequate space and security (minimum standard). The unit must contain a living room, kitchen area, and bathroom. The unit must have at least one bedroom or living/sleeping room of appropriate size for each two persons. The BGHD will not dictate who shares a bedroom or sleeping room; however HQS inspector can establish the maximum occupancy of the each proposed unit.

The above stated standards are considered when determining what voucher size is issued. Fair Housing Amendments Act of 1988 and 504 regulations impact this area.

### **Unit Size Selected**

Families may select a different size dwelling than that listed on the Voucher.

1. Standards to be applied:
  - a. Payment Standard Limitations. The BGHD will apply the PS for the Voucher size issued or the unit size actually selected by the family, whichever is less.
  - b. Utility Allowance. The utility schedule used to calculate the gross rent is determined by the size of the unit the family leases or by the size of the family's voucher (whichever is the lower of the two).
  - c. Maximum Occupancy. Housing Quality Standards (HQS) standards allow 2 persons per sleeping/living room. (i.e., the living room meets the criteria established by HQS for use as bedroom).
2. Under the Voucher Program a family may choose a unit with a gross rent

which exceeds the Payment Standard, but the tenant will pay excess rent. Voucher holders will not be allowed to pay in excess of 40% of the family's adjusted gross monthly income toward the gross rent at initial lease. All units are subject to Rent Reasonableness Review. The 40% cap does not apply to vouchers utilized for homeownership.

### **Changes in Voucher Size**

Changes in Voucher size on which subsidy is based will be made only at Annual Re-examination or when the family moves to a new unit. All additions to family composition must be approved by the BGHD. The following requests for additions to the household will be approved, depending on the eligibility of the addition: birth or adoption of a child; court awarded custody of a child, single adult child without children of their own, domestic partner of the head of household or marriage. Domestic partner means an intimate partner who lives with another adult and shares a common domestic life but are not married (to each other or to anyone else), children in common is not required. Examples of domestic partners include boyfriend, girlfriend or fiancé. Domestic partners does not include friends, roommates or relatives.

Other additions to the family will be approved on a case-by-case basis, determined by such factors as the maximum occupancy, subsidy level and any extenuating circumstances. An Addition to the Household Packet, along with all requested verification documents, must be completed and submitted to the BGHD for approval prior to adding an individual to the household as a household member.

If overcrowding happens due to the change in family composition, notice is sent to the assisted family and the owner that the HAP will stop on the end of the next month. Extension may be granted if new unit is not available and family is actively seeking for a new unit.

## G. INCOME CONSIDERATIONS AND DETERMINATION OF TTP

### **HOTMA RULES PENDING HUD APPROVAL**

**Annual income includes** with respect to the family:

- All amounts, not specifically excluded by HUD regulation in 24CFR 5.609(b) received from all sources by each member of the family 18 years or older or is the head of household or spouse of the head of household;
- Unearned income by or on behalf of each dependent who is under 18 years of age;
- All actual anticipated income from assets, even if the asset is excluded from net family assets but the income from the asset is not otherwise excluded;
- Imputed returns on net family assets exceeding \$50,000 (adjusted annually using the CPI-W) when the value of the actual returns from a given asset cannot be calculated. Imputed returns are based on the current passbook savings rate, as determined by HUD. (**Note:** if it is possible to calculate actual returns from an asset, the HD should use that amount as income).

### **Income**

The following is to be verified and included as annual income:

1. Items, which are considered income for purposes of rent/subsidy calculation, are outlined in Housing Choice Voucher Program Guidebook.10G as amended.
2. Items not to be included as income for purposes of rent/subsidy calculation are outlined in Housing Choice Voucher Program Guidebook.10G, as amended.

Note: Per the 2005 Appropriations Act, that portion of an *athletic scholarship*, which is designated as “available” to pay housing expenses, is to be included in the calculation of annual income and TTP. This applies only to athletic scholarships.

3. Monthly adjusted income will not be reduced when a decrease in public assistance results from any of the following:
  - a. Non-compliance with the conditions of an economic self-sufficiency program or work activities requirement;
  - b. An act of fraud;
  - c. Certification by DSI of the reason for the decrease in public assistance will be required at the time the decrease in income is reported to the BGHD.
4. Incremental increases in household income due to income from bona fide,

HUD approved training programs will be disregarded for the lesser of (1) a period of six (6) months or (2) while the participant continues in the program.

5. **HOTMA RULE PENDING HUD APPROVAL**

- *The nonrecurring income is income that will not be repeated in the coming year. Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period. However, income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under § 5.609(b)(24), even if the source, date, or amount of the income varies. This does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended. The following list of exclusions is codified at 24 CFR § 5.609(b)(24) as nonrecurring income. This list is not exhaustive:*
  - *Payments from the U.S. Census Bureau for employment lasting no longer than 180 days and not culminating in permanent employment;*
  - *Direct federal or state economic stimulus payments;*
  - *Amounts directly received by the family as a result of state refundable tax credits or state tax refunds at the time they are received;*
  - *Amounts directly received by the family as a result of federal refundable tax credits or federal tax refunds at the time they are received;*
  - *Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding, baby shower, or anniversary gifts);*
  - *In-kind donations (e.g., food, clothing, or toiletries received from a food bank or similar organization); and*
  - *Lump-sum additions to net family assets (e.g., lottery winnings, contest winnings, etc.).*
- *Self-certification from the family stating that the income will not be repeated in the coming year may be requested."*

*Temporary/Sporadic Income is defined as income which is usually of short duration (no longer than 6 weeks), and tied directly to seasonal employment, such as Christmas or agricultural harvesting. This income will be excluded and not be processed as interim.*

6. *Only families already participating in the Earned Income Disregard on the effective date of the final rule (January 1, 2024) may continue receiving the benefits up to 2 years from that date. No new EID will be approved after January 1, 2024.*

7. **HOTMA RULES PENDING HUD APPROVAL**

*Families reporting zero or income less than \$100mo will complete a worksheet at admission, and at annual recertification. To manage the risk of unreported income worksheet may be requested periodically along with searching an upfront*

*income verification source to determine if there is any unreported income. This procedure is meant to avoid improper payments and the need for repayment agreement.*

*In calculating minimal income using the worksheet, HD will not assign monetary value to non-monetary in-kind donations from a food bank or similar organization received by the family in accordance with the income exclusion. Non-recurring, non-monetary in-kind donations from friends and family may be excluded as non-recurring income.*

Minimal Income. When a family reports income of less than \$100 per month (\$1200 annually), the Minimal Income Checklist and Worksheet will be used to determine whether family receive support for expenses that exceed reported income. If so, additional income will be calculated and added to report household income.

#### 8. Child Support

- Child Support received through the Child Support Office is calculated as the average amount actually received by the client during the most recent 12 months reflected on the printout or listing of most recent payments, which ever best describes the income for the next 12 months. Only verified non-receipt (death of absent parent, incarceration etc.) will result in removal of Child Support income.
- Child Support received directly from the absent parent as a private agreement is calculated as the current amount reflected on the Support Form.

### **Assets**

#### **"HOTMA RULE PENDING HUD APPROVAL**

*BGHD will determine net family assets and anticipated income earned from assets at new admission and annually by fully verifying the information reported by the family, regardless of the family having assets that are equal to or less than \$50,000. BGHD will not accept self-certification of net family assets equal to or less than \$50,000 and will fully verify each asset annually.*

*When fully verifying assets, BGHD will obtain a minimum of one account statement to verify the balance and any interest on accounts, including any checking and savings account. BGHD may choose to require more than one account statement for some or all accounts. Net Family Assets includes all real and personal property unless specifically excluded per regulations 24 CFR 5.603.*

Net Family Assets Scenario	Actual Income	Imputed Returns	Amount Included in Income
Assets of \$50,000 or less	Included	Not calculated	Actual income only
Exceeds \$50,000 and actual income can be computed for ALL assets	Included	Not calculated	Actual income only
Exceeds \$50,000 and NO actual income can be computed	N/A	Calculated using HUD passbook rate for all assets	Imputed returns for all assets
Exceeds \$50,000, but actual income can only be computed for some assets	Included for assets that can be computed	Calculated for any remaining assets where actual income cannot be computed	Actual income that can be computed AND imputed returns for all remaining assets that cannot be computed

- The following assets are excluded under HOTMA. If the family owns an excluded asset, its value does not count toward the restriction due to net family assets.*
- *The combined value of all non-necessary items of personal property with a total combined value of \$50,000 or less as adjusted annually by inflation.*
  - *The value of any account under a retirement plan recognized as such by the IRS, including IRAs, employer retirement plans (401(k), 403(b)) and retirement plans for self-employed individuals.*
  - *The value of real property that the family does not have the effective legal authority to sell in the jurisdiction where the property is located.*
  - *Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability;*
  - *The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any “baby bond” account created, authorized, or funded by Federal, State, or local government.*
  - *Interest in Indian trust land*
  - *Equity in a manufactured home where the family receives assistance under 24 CFR 982.*
  - *Equity in property under the Homeownership option for which a family receives assistance under 24 CFR 982.*
  - *FSS accounts.*
  - *The value of irrevocable trusts and revocable trusts that are not under the control of the family. “Not under control of the family” means no family or household member is the account’s grantor or trustee.*
  - *Federal Tax Refunds or refundable tax credits for a period of 12 months after receipt by the family.”*

Net family assets are defined as cash on hand and the sum of the household’s savings and checking accounts in excess of \$1,000; market value of stocks and bonds; equity in real property; IRA, Keogh and similar retirement savings accounts; contributions to company retirement/pension funds; lump-sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements; cash value of life insurance policies, personal property held as investment such as gems, jewelry, coin collections, antique



cars; assets disposed of within the last two years for less than fair market value and other capital investments.

- a. The value of a checking or savings account will be determined by the documented balance at the time of recertification.

Family assets totaling less than \$5,000 that do or do not earn interest are entered using the actual interest rate. Net family assets totaling \$5,000 or more that do or do not earn interest are entered using the greater of (1) actual interest earned or (2) imputed interest using the National Savings rate, updated once a year.

Personal property (i.e., furniture and automobiles), interest in Indian Trust Lands, assets not accessible by the family and assets that are a part of an active business or farming operation are not considered assets. An asset is considered accessible if the asset is held in the name of a household member and the family accrues income or other benefit from the asset.

The BGHD will count assets disposed of for less than fair market value during the two (2) years preceding examination or reexamination. The BGHD will count the difference between the market value and the actual payment received, in addition to the actual payment received. In the case of assets disposed of for less than fair market value, the costs incurred in disposing of the asset are excluded.

### **Jointly Held Assets**

#### ***“HOTMA RULE PENDING HUD APPROVAL***

*For assets jointly owned by the family and one or more individuals outside of the assisted family, HD will include the total value of the asset in the calculation of net family assets, unless the asset is otherwise excluded, or unless the assisted family can demonstrate that the asset is inaccessible to them, or that they cannot dispose of any portion of the asset without the consent of another owner who refuses to comply. If the family demonstrates that they can only access a portion of an asset, then only that portion’s value shall be included in the calculation of net family assets for the family. Any income from a jointly owned asset must be included in annual income, unless that income is specifically excluded, or unless the family demonstrates that they do not have access to the income from that asset, or that they only have access to a portion of the income from that asset. If an individual is a beneficiary who is entitled to access the account’s funds only upon the death of the account’s owner, and may not otherwise withdraw funds from an account, then the account is not an asset to the assisted family, and the family should provide proper documentation demonstrating that they are only a beneficiary on the account.”*

If a household member has any ownership in an asset and has unrestricted access to the full value of the asset, the full value of the asset will be considered when determining the impact on the household’s income. If access is limited to the portion held by the household member, only that portion will be considered.

## **Deductions**

### **“HOTMA RULES PENDING HUD APPROVAL**

*Health and medical exceeding 10% of a family’s annual income (an increase from the previous threshold of 3%) will be deducted from the amount of a family’s income to determine the adjusted income.*

### **Hardship exemptions for medical expenses**

*Families who received a deduction for unreimbursed medical expenses based on their most recent income examination prior to January 1, 2024, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first upon implementation of the HOTMA final rule.*

*Families who receive this phased-in relief will have medical deductions as follows:*

- *1<sup>st</sup> twelve months – in excess of 5% of annual income.*
- *2<sup>nd</sup> twelve months – in excess of 7.5% of annual income.*
- *After 24 months – in excess of 10% threshold will phase in and remain in effect unless the family qualifies for general hardship relief.*

### **General Relief Hardship Exemption for Medical Expenses**

- *A family may request a General Relief hardship for medical expenses.*
- *Eligibility: A family must demonstrate that their applicable expenses increased or they experienced a change in circumstances that resulted in a financial hardship, as defined below that would not otherwise trigger an interim reexamination. This relief is available regardless of whether the family previously received medical deductions or is currently receiving, or previously received, a phased-in hardship exemption under 5.611©(1)*
- *A change in circumstances includes the need for new, qualifying, health and medical, reasonable attendant care and auxiliary apparatus expenses or an increase in the cost of qualifying expenses so that qualifying expenses exceed 5% of the family’s annual income.*
- *The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after 90 days, whichever comes earlier.*
- *If the family wishes to request a successive 90-day period for the exemption, they must make that request within 7 days of the end of the current eligibility period and must demonstrate to the HD why an additional period of exemption is warranted.*
- *If HD determines that the expense giving rise to the hardship exemption will not end within 90 days, HD may grant one or more 90-day extensions in advance. HD will not consider [more than four (4) consecutive] requests for this hardship exemption.*
- *Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.*
- *If the family reports the change in circumstances in a timely manner (within 14 days) HD will provide the family with [30 days] advance notice of any rent increase, and such rent increase will be effective the first day of the month beginning after the end of that [30- day] notice period.*
- *If the family does not report the change in a timely manner, the adjustment will be made retroactive 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 rent and may be offered a repayment agreement.*

*HD will obtain third-party verification of the family's inability to pay rent or will document in the file the reason third-party verification was not available."*

1. Medical Expenses

Medical expenses are available only to elderly or disabled households. Either the head of household, spouse, or a co-head must meet elderly/disabled definition. If the household is elderly or disabled, medical expenses of all household members are deducted. The following are examples of eligible medical expenses to be verified:

- a. Payments on accumulated major medical bills;
- b. Dental expenses;
- c. Prescription or physician ordered medicines;
- d. Transportation expenses directly related to medical treatment (more than 50 miles from the jurisdiction);
- e. Eyeglasses;
- f. Medical insurance premiums;
- g. Hearing aids and batteries; and
- h. Cost of live-in resident attendant.

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS publication 502 will be used as a guide. Non-prescription medicines must be doctor recommended with a specific dosage in order to be considered a medical expense.

2. Child Care Expenses

Childcare expenses are amounts paid for the care of dependents age twelve (12) or under, or disabled or handicapped family members. Deductions are allowed when care is necessary to enable a family member (including the disabled or handicapped member) to be gainfully employed, to attend school (academic or vocational) or to search for work. Allowances must not exceed the amount earned and must be reasonable and within the standard of other local child care providers.

3. Full-time Students

Full-time student is defined as a household member 18 years or older, other than head, co-head, or spouse, who is carrying a subject load that is considered full-time for day standards under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree. A full-time student must be 18 years of age or older and not the head, spouse, or co-head. Full-time student

status must be verified in writing if the household is claiming a dependent allowance for a child eighteen (18) years of age or older. Full time student status must be re-verified during the annual recertification. Any change in the full-time student status between annual recertifications, must be reported to the BGHD by the family in 14 days.

4. Dependents

Dependents include household members age seventeen (17) and younger (other than head, spouse, live in aid, dependents of live in aid, or foster children). Household members who are handicapped, disabled or a full-time student age eighteen (18) or older will be given the dependent allowance. Foster children are considered for bedroom size only and do not have dependent status.

5. Live-in Aides

A live-in aide is defined as:

1. A person who resides with an elderly, disabled or handicapped person, and
2. Is determined by the BGHD to be essential to the care and well-being of the person, and
3. Is not obligated to support the person, and
4. Would not be living in the unit except to provide necessary supportive services.

A relative may qualify as a live-in aide if all of these conditions are met. The elderly, disabled or handicapped person needing the live-in aide does not have to be the head, spouse, or co-head of the family and, therefore, it is not necessary for a family to qualify as an “elderly family” in order to have a live-in aide; however, the family member requiring the Live-in-Aid must be elderly or disabled in order to qualify for a Reasonable Accommodation. Although a knowledgeable professional must document the essential need for a live-in aide (which would result in the issuance of an additional bedroom size voucher), the live-in aide must be approved by the BGHD first. The BGHD may disapprove a particular person as a live-in aide if s/he has:

- (1) Committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- (2) Committed drug-related criminal activity or violent criminal activity; or
- (3) Currently owes rent or other amounts to the BGHD or to another BGHD in connection with HCV or public housing assistance under the 1937 Act,
- (4) Failed to verify the ability to provide services needed for tenant.

BGHD may only approve one additional bedroom for a live-in aide. Although a live-in aide may have family member/s living with him/her in the assisted unit, no additional bedrooms will be provided for the family members of the live-in aide. If the approval of

additional family members of a live-in aide would result in the violation of HQS, the additional family members of a live-in aide may not be approved. The income of a live-in aide is not counted in determining the family's income. The live-in aide does not qualify for continued occupancy as a remaining family member.

### **Temporarily Absent Household Member**

An adult member of the household will be considered temporarily absent if he/she is out of the household for more than 30 days but is still making monetary contributions to the household. Income of temporarily absent family members is counted. If an adult member is temporarily absent, his/her income is counted. If the member is permanently absent from the household, his/her income is not counted except as contributed to the household as support. At the request of the Head of Household, the member will be permanently removed from the lease. If the Head of Household is the absent member and wishes to confer Head of Household status on another adult member, he/she must give written permission by completing the Head of Household Replacement Form. If the Head of Household refuses to transfer Head of Household status but remains out of the household for more than 180 days or stops making monetary contributions to the household, the BGHD will transfer Head of Household status at its own discretion.

If all adult family members leave the unit for more than 30 days, the BGHD will assume that the unit has been abandoned and the family may be terminated from the program unless granted an extension by the BGHD. Under no circumstances may the family vacate the unit for more than 180 days and remain assisted.

If a child (children) is removed from the home temporarily, there will be no change in bedroom size subsidy standard until such time as described in Section VI, Paragraph C. If permanent removal occurs, a change in bedroom size issued will occur at the next annual re-examination.

#### 1. **Adult Member**

If an adult member leaves the household, the family must report the change in family composition to the BGHD. If that adult is considered permanently absent he/she will be removed from the lease. However, if he/she returns to the household or is re-added to the lease within 6 months and there was no initiation of divorce or legal separation proceedings by either party, he/she will be considered "temporarily absent" and his/her income will be counted for the period he/she was gone, resulting in a "retroactive rent" calculation. The only exception to this would be in a case where the absent member could provide proof of absence such as utility bills or canceled checks for rent in his/her name at another location.

#### 2. **Minor Child**

When a child is temporarily removed from the assisted home, the child's

name will be removed from the lease but assistance will continue to be based on the bedroom size issued prior to removal of the child. Temporary status will continue for twelve (12) months following removal of the child. If the child is still absent at the first annual recertification following the twelve month period, the subsidy level will be changed to the subsidy level appropriate for the remaining household members. If the child is returned to the home, the subsidy level will, at the next annual recertification, revert to the subsidy level appropriate for the number of people actually living in the unit. If and when the child is permanently removed from the home, the bedroom size issued will be adjusted at the next Annual Re-examination if necessary.

3. Special Circumstances

If an adult child goes into the military and leaves the household, they will be determined permanently absent.

A student (other than head, co-head, or spouse) who attends school away from home but lives with the family during school recesses may be considered permanently absent or temporarily absent at the family's option.

In other situations, adult children will be determined permanently absent if the family declares them absent for at least 3 months or declares that they are permanently absent in writing.

4. Joint Custody of Children

Children who are subject to a joint custody agreement but live in the unit at least 50% of the time will be considered members of the household, will be listed on the lease, and will be eligible for the "minor deductions". Custody arrangements resulting in the child being in the household less than 50% of the time, but more often than the 90 days per calendar year will be considered a visitor to the unit. Special exception to the "Visitor Rule" will be made to allow the child to visit as often as the custody arrangement decrees. If a child has both parents in separate subsidized units and both parents declare that the child lives with them 50% of the time, the parents must decide which parent will list the child on the lease and receive the deduction—it is not possible that the child lives with each 50% of the time (365 divided by two is not an even number). In the absence of parental decision, the parent residing in the school district where the child attends school will receive the deduction. If both parents live in the same school district, the BGHD will make a decision regarding which parent will receive the deduction. Deductions will not be given to both parents in separate subsidized units.

5. Sole Member of Household

If the sole adult member of a household has to leave the household for more than 30 days due to medical reasons, the family may be terminated from the program unless they request an extension by submitting documentation from a reliable medical source that he/she will return within an additional 150 day period. In no event will a unit be considered a principal place of residence if the sole adult household member is out of the household for more than 180 days (6 months). Verified medical reasons are the only basis for an extension.

### **Visitors**

Any guest who remains in the unit over 24 hours must be reported to the BGHD within three (3) days of arrival. If reported within 3 days of arrival, an adult guest may remain in the unit for up to 30 days in a 12 month period and a minor child may remain in the unit for up to 90 days in a 12 month period. Guests who are not reported to the BGHD within 3 days of arrival will be assumed to be residing in the unit in violation of program rules which may result in termination of assistance. Court custody of a minor child must be granted to a household member in order for a child to remain in the assisted unit over 90 days. Exception to the 90 day rule for minors will be granted for custody arrangements allowing a child to visit the unit as often as the court decrees.

#### **Reporting to the Owner**

Any visitor should be reported to the owner/manager in writing pursuant to the lease agreement.

#### **Reporting to the BGHD**

All guests who remain in the unit over 24 hours must be reported to the BGHD within 3 days of their arrival or the tenant will be considered to be in violation of the Family Obligations and subject to termination.

### **Lump-sum Payments**

*“HOTMA RULE PENDING HUD APPROVAL*

*Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings, are excluded from annual income. If retained, these amounts may count toward net family assets in accordance with 24 CFR § 5.603. Insurance payments and settlements for personal or property losses, including but not limited to payments under health insurance, motor vehicle insurance, and workers' compensation, are excluded from annual income. Any workers' compensation is always excluded from annual income, regardless of the frequency or length of the payments.”*

1. Lump-sum payments, such as inheritances, insurance payments (including payments under health and accident insurance and worker's

compensation), capital gains and settlement for personal or property losses are counted as assets. Deferred periodic payments of SSI and Social Security benefits that are received in a lump sum will be added to household assets.

2. Lump sum additions to family assets are processed as an interim and verified with appropriate asset form. Any drawn amounts not on the bank accounts must be verified by the family and any unexplained balances will be added to the asset.
3. Lump sum payments caused by delays in processing periodic payments (unemployment, welfare, child support, etc.) are counted as income whether or not they were delayed due to a dispute or because of processing problems.
4. Lump sum additions to household income will be processed according to standard interim policy and handled in the following manner:
  - If there is no change in HAP, additional assets are updated with the next interim or annual recertification.
  - If the interim change would result the change in HAP, then interim is done:
    - a. An interim adjustment will be processed, adding the total amount of the lump sum .
    - b. At the next annual recertification, the lump sum amount will be adjusted to include only those months remaining.
    - c. Example: \$2,500 lump sum is reported in June. Annual recertification is in January.
      1. Interim is processed, adding \$2,500 annual income, effective August 1(5 months prior to recert).
      2. At recertification in January, the \$2,500 is adjusted to \$1,458 to reflect 7 months remaining ( $\$2,500/12 = \$208.33 \times (12-5) = \$1,458$ ). This amount remains until next recertification and is then removed.
5. Lump sum payments (income or asset) are subject to the same reporting requirements as regular income and, if not reported within fourteen (14) days of receipt, will be subject to the same repayment/termination policy.

### **Minimal Income**

“SEE CHAPTER G, 5 HOTMA RULE PENDING HUD APPROVAL”

There is no minimum income requirement. Staff will interview applicants/tenants and use the Minimal Income Checklist to determine if, in fact, there is no income coming into



the household from any source. Reported contributions to family income will be counted as support. Expenses reported which are in excess of reported household income will be counted as non-wage income. Income as calculated on the Minimal Income Worksheet will be treated as any other income when determining whether an interim adjustment is necessary. Minimal income will be included as family income until new income that exceeds minimum of \$100 per month is reported. At that time, new income will replace minimal income.

### **Total Tenant Payment Calculation and Maximum Subsidy**

Total Tenant Payment (TTP) is calculated as the greater of (30% of adjusted household income or 10% of gross income) and is the amount to be paid by the tenant toward his/her own housing cost. In the Voucher Program, the difference between the lesser of (the Payment Standard or the Gross Rent) and the TTP is the subsidy amount. There is no shopping incentive for voucher holders where the Gross Rent is less than the Payment Standard. Subsidy for these units will be calculated as the Gross Rent minus the greater of (30% of adjusted gross income or 10% of gross income).

The tenant has the option of choosing a more expensive unit and paying more than 30% of adjusted gross monthly income; however, a tenant first leasing in the program or moving to a new unit will not be allowed to pay in excess of 40% of AGMI toward gross rent. An initial lease requiring a tenant TTP exceeding 40% of AGMI will not be approved by the BGHD.

### **Annual Income from Wages**

Annual income from wages will be calculated in the following manner, unless disputed by tenant:

1. Average gross income received during most recent 12 months (or since date of hire if less than 12 months) as verified on wage history; or
2. Average gross income received during most recent 60 days as verified on check stubs; or
3. Current income as verified on a completed Wage Form; or
4. Using the income history that would best describe the income of next 12 months.

Earned income from multiple jobs over a 12-month period will be averaged and counted. This procedure will only be applied to a participant with multiple jobs over a consecutive 12-month period. "Job hopping" affords a family the opportunity to avoid paying rent simply by making regular changes in employment.

### **Minimum Rent**

The BGHD adopted a minimum TTP of \$50.00. Pursuant to HUD regulations, if 30 percent of the monthly adjusted household income is less than the established minimum rent, the total tenant payment (TTP) toward rent and utilities will be increased to \$50.00.

## **Financial Hardship Exemption from Minimum Rent**

The Housing Division recognizes that in some circumstances even the minimum rent may create a financial hardship for a family. Families cannot request a hardship exemption if the family's calculated TTP is higher than the minimum rent. All requests for the exemption must be in writing and accompanied by the supporting documentation verifying the incident. The voluntary loss of income, or voluntary continued loss of income, does not qualify a family for the financial hardship exemption from minimum rent. In order for a family to qualify for a hardship exemption; the family's circumstances must fall under one of the following HUD hardship criteria:

1. The family has lost eligibility or is awaiting an eligibility determination for federal, state, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act and who would be entitled to public benefits but for Title IV of the personal Responsibility and Work Opportunity Act of 1996.
2. The family would be evicted as a result of the imposition of the minimum rent requirement.
3. The income of the family has decreased because of changed circumstances, including loss of employment, death in the family or other circumstances as determined by the BGHD or HUD.

## **Suspension of Minimum Rent**

All qualified requests will be approved for suspension effective the first day of the following month. The BGHD will determine if financial hardship is:

- A. Temporary Hardship Suspension – If the BGHD determines that the hardship is temporary, the minimum rent will not be imposed for a period of 90 days from the date of the family's request, unless the family reports that the temporary hardship no longer exists. At the end of the 90-day suspension period, the minimum rent will be reinstated retroactively from the beginning of the suspension. The BGHD will offer the family a repayment agreement for the amount of back rent owed by the family. Such repayment agreements will be set at \$25.00 per month until balance is paid in full over the period not to exceed 12 months.
- B. Long-Term Hardship Exemption - If the BGHD determines that there is a qualifying long-term financial hardship, family will be exempt from minimal rent requirement so long as such hardship continues. Families approved for long-term hardship will be required to update current income and eligible circumstances every 90 days.

A suspension will be provided only once for each incident that occurs in the household. The financial hardship exemption or suspension only applies to payment of the minimum rent and not to the other elements used to calculate the total tenant payment.

## **Non-Independent Student Income at Admission**

A student who does not meet the definition of "Independent Student" per the

Department of Education must verify parental income for the determination of income eligibility at admission. In order to be admitted, the student must meet the following income guidelines:

1. The parents' household, individually or jointly, must be income eligible; and
2. The student household must be income eligible.

Income eligibility may be determined using tax returns or, if not available, items to be verified may be identified using the intake checklist.

### **Student Financial Aid**

#### ***"HOTMA RULE PENDING HUD APPROVAL***

*Actual covered costs include: tuition, books, supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and fees required and charged to a student by an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1087uu))"*

Some financial aid of students is excluded. See Appendix V. Financial aid means government grants, loans, scholarships, private grants, work study, etc. Any portion of an athletic scholarship, which is designated for housing, is included as income and not excluded.

### **Non-Independent Student Independence from Parents**

A student who does not meet the definition of Independent Student may document his/her independence from his/her parents if both of the following are true:

- a. The individual is at least 18 years old;
- b. The individual can document that he/she has established a household separate from his/her parents for at least one year prior to application;
- c. The individual can document that he/she was not claimed as a dependent by his/her parents on the parents' most recent income tax return;
- d. The individual provides certification of the amount of financial assistance that will be provided by his/her parents, even if zero.

If the student documents all of the above, he/she will be afforded the same status as an Independent Student.

## H. VERIFICATION POLICY

### General Policy

All income and deductions will be verified via third party methods. Verifications are valid for a period of 60 days. Income verification will follow the following methods:

<b>Level</b>	<b>Verification Technique</b>	<b>Ranking</b>
<b>6</b>	<b>Upfront Income Verification (UIV)</b> using HUD’s Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	<b>Highest</b> (Mandatory)
<b>5</b>	<b>Upfront Income Verification (UIV)</b> using non-HUD system	<b>Highest</b> (Optional)
<b>4</b>	Written third Party Verification	<b>High</b> (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV reported employment and income information <b>and</b> is unable to provide acceptable documentation to support dispute)
<b>3</b>	<b>Written Third Party Verification Form</b>	<b>Medium-Low</b> (Mandatory if written third party verification documents are not available or rejected by the BGHD; and when the applicant or tenant is unable to provide acceptable documentation)
<b>2</b>	<b>Oral Third Party Verification</b>	<b>Low</b> (Mandatory if written third party verification is not available)
<b>1</b>	<b>Tenant Declaration</b>	<b>Low</b> (Use as a last resort when unable to obtain any type of third party verification)

**Note:** This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

*“HOTMA RULE PENDING HUD APPROVAL*

*For existing residents, EIV data will be reviewed as part of the annual recertification process. For new residents, EIV data will be reviewed within 120 days of admission. EIV data will be reviewed for interim recertifications only for families that are reporting zero income and for other administrative purposes as deemed necessary by BGHD”*

## **Safe Harbor Verifications**

BGHD will not accept Safe-Harbor income determination. If HD cannot obtain the required third-party verification, or if the family disputes the determination, the HD will calculate the family's annual income using the methods established in 5.609(c)(1,2).

Verification documents procured from HUD databases or other third party sources will be considered confidential and will not be shared with persons outside the BGHD. Other than BGHD staff, only the head of household or the specific individual reported on will have access to these verification documents. Verification procured from HUD databases used for verification of income is subject to tenant review and dispute. If disputed, the tenant will be given an opportunity to present alternative third party documentation and the BGHD, upon review of all documents, will determine the result. As always, the tenant will be afforded an opportunity for an Informal Hearing prior to adverse action.

## **Items to be Verified**

The following items will be verified at admission, annual re-examination and when the family moves to another assisted unit.

1. All income
2. Net family assets as described in Section G
3. Full Time Student Status as defined by the institution they are attending for household member 18 and over is to be verified each semester.
4. Total Medical Expenses for "elderly" families whose head or spouse is 62 years of age or older, or handicapped, or disabled according to HUD definition.
5. Child Care Expenses where it allows an adult family member to be gainfully employed or to further his/her education or to search for work.
6. Handicapped Assistance Expenses to include those costs associated with attendant care or auxiliary apparatus which allows an adult family member to be gainfully employed or to further his/her education or to search for work.
7. Reasonable Accommodation Request for an elderly or disabled person.
8. Families reporting minimal (less than \$100 per month) or no income will be required to complete a Minimal Income Checklist. Housing staff will use this information to complete the Minimal Income Worksheet to determine if reported household expenses exceed reported household income and adjust annual income accordingly.

## I. BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS

### Briefings

1. Purpose of the Briefing  
The purpose of the briefing is to fully explain the Housing Choice Voucher program to the eligible family so they may fully understand program requirements and procedures to lease an acceptable unit.
2. Briefing Attendance Requirements  
  
Failure to complete the briefing in allotted time will result in removal from the waiting list. Each applicant will be required to watch a briefing video and attend the briefing session before receiving the voucher. During the briefing session applicant will receive a briefing packet as well as individual instructions and information about the program. The staff will be available to discuss housing search problems during the search period. See Appendix 1 for list of issues discussed and items disbursed during the Briefing.

### Voucher Issuance

Vouchers will be issued at the briefing session. The number of Vouchers issued will ensure that the BGHD (to the extent possible) will stay close to 100% lease-up in accordance with HUD regulations.

1. Expirations  
  
The Voucher is valid for a period of 60 days from the date of issuance. Families will be encouraged to utilize their assistance as soon as possible and to contact the BGHD on a regular basis if assistance is needed or circumstances change. The family must submit the Request for Tenancy Approval (RTA) within the 60-day period unless an extension has been requested by the family and granted by the BGHD.
2. Once an RTA has been submitted and approved, the unit will be scheduled for inspection.
  - a. If the unit fails the initial inspection, it must pass within 30 days of the inspection date.
  - b. If the unit fails the initial inspection, the family may decline to lease the failing unit and submit another RTA at any time prior to the expiration of the voucher.

For VASH, SV and Mainstream initial vouchers will be issued for a period of 120 days.

### 3. Extensions

The BGHD may grant an extension or extensions not to exceed an additional 60 days beyond the original expiration date. If a family still has not turned in an approved Request for Tenancy Approval, the Voucher will expire and they will be removed from the waiting list. Extensions are permissible at the discretion of the BGHD primarily for following reasons:

- a. Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial 60-day period.
- b. The family is issued 4 or more bedroom voucher and has evidenced that they have made a consistent effort and have been unable to locate a suitable unit.
- c. Extenuating circumstances that impacted local community such as limited supply of affordable rental units or national disaster.

### 4. Suspensions

Suspension of the RTA from the time when the family submits a request for BGHD approval of the tenancy, until the time when the BGHD approves or denies the request. (24 CFR 982.4)

Suspension of the Voucher will occur during the time that approval of a RTA is pending. When issuing a voucher the BGHD expects that if the family finds an approvable unit, the BGHD will have the funds available to enter into a HAP contract with the owner. However, the BGHD is under no obligation to the family, to any owner, or to any other person, to approve a tenancy. The BGHD does not have any liability to any party by the issuance of the voucher. The voucher does not give the family any right to participate in the BGHD's HCV program. The family becomes a participant in the HCV program when the HAP contract between the BGHD and the owner takes effect.

### **Security Deposit Requirements**

The owner, at his/her discretion may collect a Security Deposit. Amount of security deposit is determined by owner, but it must be reasonable and not more than what he/she charges other tenants not participating in the HCV program. The BGHD considers a reasonable amount for deposit to be not more than one month's contract rent. If the tenant leases in place, the landlord may accept the initial security deposit as the full security deposit.

## J. PORTABILITY

Portability allows a family to move from a BGHD's jurisdiction to another location with continued assistance. Under Portability, an assisted family may move into another jurisdiction without applying on the waiting list of the receiving BGHD. Portability out will be approved for eligible applicants/tenants under the following circumstances:

- When funding is available and BGHD is being billed by receiving agency, or
- When the receiving jurisdiction absorbs; or
- Portability in will be billed unless funding is available to absorb.

### **General Policy**

(a) A New Applicant that has not yet leased a unit is eligible for portability if the head of household was a resident of the issuing jurisdiction at the time the application for assistance was submitted. A "resident", is a person who has a legal domicile in the jurisdiction. To verify residency a lease, school records, a voter registration or similar records may be used. A non-resident family will be required to initially lease a unit for 12 months within the issuing jurisdiction before they can be eligible for portability. Additionally, the family must meet all admissions criteria established by the BGHD.

(b) A Participant Family is eligible for portability only when the family is able to move out of its current unit under the terms of the family's lease, do not owe the BGHD any monies and are otherwise in good standing with the BGHD. Continuously assisted families will not be subject to the admissions income limit.

### **Family Responsibilities under Portability**

Families wishing to exercise portability must have legal residency in the issuing jurisdiction and provide verification of the same if requested by the BGHD. The family has the responsibility to notify the BGHD of where it wants to move. The family must complete a Family Request for Portability Form and submit it to the BGHD. No action will be taken until this form is completed and the proper 30-day notice procedure has been followed. The Issuing BGHD will contact the Receiving BGHD and submit HUD form 52665 with required documentation. The family is responsible for submitting a Request for Tenancy Approval in the Receiving BGHD's jurisdiction by the established deadline.

### **Initial BGHD Responsibilities**

The BGHD will brief new Voucher holders regarding portability program options. The BGHD will contact the Receiving BGHD on behalf of the family, establish income eligibility for new admissions and provide the family with contact information of the Receiving BGHD. The Issuing BGHD will submit the appropriate documents to the Receiving BGHD and submit the appropriate 50058 to PIC, depending upon absorption or billing by the Receiving BGHD. If being billed, the Issuing BGHD will expect the initial bill within 90 days of the expiration date of the voucher and will execute payment within



30 days of receipt. Subsequent payments will be made to ensure receipt by the Receiving BGHD no later than the 5<sup>th</sup> day of each month.

### **Receiving BGHD Responsibilities**

The Receiving BGHD must decide whether to accept the Voucher and administer it for the Initial BGHD and bill the Initial BGHD or issue a Voucher of its own. The Receiving BGHD must also recertify the family's income initially and at least annually thereafter to calculate the housing assistance payment. Furthermore, the Receiving BGHD must perform the usual functions to lease up the family and administer the assistance, just as it would if the family was on their own program. The Receiving BGHD must submit the initial bill to the Issuing BGHD within 90 days of the expiration date of the voucher or 10 working days of the date of execution (not effective date) of the HAP Contract, whichever comes first.

## **K. LOCATING SUITABLE HOUSING**

### **Responsibility for Locating Housing**

Once a Voucher has been issued, it is the family's responsibility to locate suitable housing. The housing unit must be within the rent limits of the program, meet Housing Quality Standards requirements (including minimum size requirements for units), and meet Rent Reasonableness. The owner must be willing to enter into the Housing Choice Voucher (HCV) Payments Contract.

The BGHD will maintain a list of owners who are willing to rent to HCV holders.

### **Eligible Types of Housing**

The following types of housing may be utilized on the Voucher programs (unless designated otherwise):

1. All structure types can be utilized, including but not limited to single family, duplex, tri-plex, fourplex, garden apartments, townhouses, and highrises;
2. Manufactured homes where the tenant leases mobile home and lot;
3. Lot rent only where the participant owns the mobile home and leases space;
4. Property owned by the assisted family may not be occupied by the family and subsidized through the program, except under the Homeownership Program.

### **Request for Tenancy Approval and Lease**

The Request for Tenancy Approval must be submitted prior to the expiration of the Voucher. Both owner and participant must sign the Request For Tenancy Approval. The BGHD must receive the Request For Tenancy Approval before the HQS inspection.

The BGHD will review the document to determine whether or not the unit can be approved. The BGHD will also schedule a Housing Quality Standards inspection before proceeding with other lease-up procedures.

## **L. HOUSING QUALITY STANDARDS AND INSPECTIONS**

### **General Purpose**

Each housing unit occupied by an assisted participant under this program must meet Housing Quality Standards. It is the intent of this BGHD to ensure that each unit meets performance and acceptability requirements in order to meet the requirements of decent, safe, and sanitary housing. This standard will be achieved by adhering to quality control guidelines set forth in the HUD Inspection Manual.

### **Initial Inspection**

BGHD schedules initial inspections upon approval of an RTA and the inspector completes the inspection sheet according to the Housing Quality Standards to ensure the unit is decent, safe, and sanitary. The inspection must be scheduled within 15 days of the receipt of an approved RTA, unless a later time is requested by the owner. If utilities are not active and/or equipment are not visible or accessible during the initial inspection, the owner must verify that the utilities are active and/or equipment is in working condition before the execution of the HAP Contract. While conducting the inspection, it is the responsibility of the inspector to note the unit's present condition, listing any deficiencies that need correction. When a unit is declared unacceptable, the inspector determines structural and/or major repairs that are required to make the unit decent, safe, and sanitary. The unit must comply with the Housing Quality Standards before the lease and contract can be negotiated. After the inspection is completed the unit will be (1) approved or (2) failed and the owner notified. If the unit fails, the owner will receive a copy of the completed FAIL REPORT that explains needed repairs to bring the unit into compliance.

The owner is advised of deficiencies and the repair deadline. Once a unit has been inspected and is approved, contingent upon seasonal repairs (e.g. painting exterior of unit in adverse weather conditions), the owner is notified of the date of the HAP Contract and the amount of approved rent. The owner is advised to execute a lease, if not already done. A copy of the Lease is retained in the tenant file.

### **Biennial HQS Inspection**

The BGHD will conduct an inspection using the Housing Quality Standards at least biennially. Staff may elect to schedule annual inspections on an individual unit basis, if they determine that the unit has previous failed inspections. Staff will complete inspections upon receipt of tenant complaint, according to tenant complaint policy.

The BGHD must not make any housing assistance payments on a dwelling unit that fails to pass the HQS inspection. The unit is in noncompliance with HQS if BGHD authorized inspector determines the unit has HQS deficiencies based upon an inspection.

### Tenant Failed Inspection

If the unit fails due to an action or inaction of the family, the owner may cancel his HAP contract and/or the BGHD may terminate assistance to the family. In this case, HAP will continue on the unit during the period that is given for repairs (30 days for non-emergency repairs or 24 hrs for emergency repairs) to be made as long as the family remains in the unit.

The family may be held responsible for a breach of the HQS that is caused by any of the following:

- The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
- The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
- Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear)

If the BGHD has waived the owner's responsibility to remedy the violation, the following applies:

- If the HQS breach caused by the family is life-threatening, the family must take all steps permissible under the lease and State and local law to ensure the deficiency is corrected within 24 hours of notification.
- For other family-caused deficiencies, the family must take all steps permissible under the lease and State and local law to ensure that the deficiency is corrected within 30 calendar days of notification (or any BGHD-approved extension).
- If the family has caused a breach of the HQS, the BGHD will take prompt and vigorous action to enforce the family obligations. The BGHD may terminate assistance for the family in accordance with § 982.552.

### Owner Failed Inspection

If the failed items are not the fault of the family the BGHD will abate the HAP if the owner fails to make the repairs within the applicable cure period (30 days for non-emergency repairs or 24 hrs for emergency repairs).

BGHD will notify the family and the owner that it is abating payments and that if the unit does not meet HQS within 60 days (or a reasonable longer period established by the BGHD) after the determination of noncompliance, BGHD will terminate the HAP contract for the unit, and the family will have to move if the family wishes to receive continued assistance. The BGHD will issue the family a voucher to move at least 30 days prior to the termination of the HAP contract. An owner may not terminate the tenancy of any family due to the withholding or abatement of assistance. During the period that assistance is abated, the family may terminate the tenancy by notifying the owner and the BGHD. If the family chooses to terminate the tenancy, the HAP contract will automatically terminate on the effective date of the tenancy termination or the date the family vacates the unit, whichever is earlier. If the family did not terminate the tenancy and the owner makes the repairs and the unit complies with HQS within 60 days (or a reasonable longer period established by the BGHD) of the notice of

abatement, the BGHD will recommence payments to the owner. The BGHD will not make any payments to the owner for the period of time that the payments were abated. The BGHD will give a family residing in a unit for which the HAP contract is terminated due to a failure to correct HQS deficiencies at least 90 days following the termination of the HAP contract to lease a new unit. If the family fails to lease a new unit within 90 days following the termination of the HAP contract, the family will be terminated from the program.

### **Emergency Repair Items**

*“NSPIRE effective 10/1/2025*

*For occupied units where the family already has a voucher and is undergoing a periodic reexamination, deficiencies on the HOTMA LT list must be corrected within 24 hours. For new units proposed for the HCV program, HOTMA LT deficiencies must be resolved before the Housing Assistance Payment (HAP) contract is executed and the family moves into the unit. Other deficiencies included in the NSPIRE standards must be resolved within timelines established by the BGHD administering the voucher, typically 30 days. Where NSPIRE deficiencies are not corrected within established timeframes, BGHDs will be required to suspend, abate or terminate HAP to the landlord once the standards are final. HUD has included the HOTMA LT List in the NSPIRE Standards and will become mandatory at the time of NSPIRE implementation (PIH Notice 2017-20). “*

The following items are to be considered of an emergency nature and are to be corrected by the owner or tenant as required within 24 hours of notice by the Inspector:

- a. First floor door that will not lock
- b. Natural gas leak—to be determined by gas provider
- c. Plumbing leak or flooding which makes unit uninhabitable
- d. Electrical hazard which makes unit uninhabitable—to be determined by an electrical inspector if possible
- e. No heat when outside temperature is below 50 degrees
- f. No running water
- g. Landlord provided utilities shutoff
- h. No useable sanitary facilities
- i. No working smoke detector in unit

In cases where there is not an imminent danger to the tenant, the BGHD may give a short extension of not more than 48 hours where the owner cannot be notified or if it is impossible to repair within the 24-hour period. If emergency items are not corrected within 72 hours, the HAP contract will be canceled and assistance to the landlord will cease.

### **Move-out Inspection**

A move-out inspection is completed only for the purposes of documenting damages for a landlord who is filing a small claim action against the tenant for recovery of damages.

To schedule the inspection, the landlord must provide a copy of the court document to the BGHD and, once completed, a copy of the inspection will be provided to the landlord. Copies of past inspections will be provided to the landlord upon request.

### **Special Inspections**

A Special Inspection will be conducted following the filing of a report from a family regarding the condition of the assisted unit. If the report lists a condition that is life threatening, then the BGHD will schedule an inspection within 24 hours (2 Business Days) and will allow the owner 24 hours to make the repairs. If the report lists a condition that is not life threatening, then the BGHD will schedule an inspection within 15 calendar days and will allow the owner no more than 30 calendar days to make the repairs. If inspection fails rules regarding abatement of HAP or termination of assistance as described under Biennial inspections apply.

### **Lead Paint Hazard Control**

All units built prior to 1978 and occupied by a child less than 6 years of age will be inspected for possible lead paint hazard. A visual inspection will identify potential problem areas which will be required to be addressed per HUD regulations in 24 CFR Part 35. Following abatement, clearance testing will be required to ensure the elimination of any remaining hazard from dust.

Additionally, the BGHD will be notified by the local Health Department of any Elevated Blood Level (EBL) child under 6 and the BGHD will cross reference this information with HCV tenant records. Any match will result in enforcement of 24 CFR Part 35.

### **Effective 10/1/2025**

### **HUD NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE, 24 cfr 982.401).**

The NSPIRE final rule defines the inspectable areas for the inspection as inside, outside, and units:

***Unit.*** A unit (or “dwelling unit”) of HUD housing refers to the interior components of an individual unit. Examples of components included in the interior of a unit may include the balcony, bathroom, call-for-aid (if applicable), carbon monoxide devices, ceiling, doors, electrical systems, enclosed patio, floors, HVAC (where individual units are provided), kitchen, lighting, outlets, smoke detectors, stairs, switches, walls, water heater, and windows.

***Inside.*** Inside of HUD housing (or “inside areas”) refers to the common areas and building systems that can be generally found within the building interior and are not inside a unit. Examples of “inside” common areas may include basements, interior or

attached garages, enclosed carports, restrooms, closets, utility rooms, mechanical rooms, community rooms, daycare rooms, halls, corridors, stairs, shared kitchens, laundry rooms, offices, enclosed porches, enclosed patios, enclosed balconies, and trash collection areas. Examples of building systems include those components that provide domestic water such as pipes, electricity, elevators, emergency power, fire protection, HVAC, and sanitary services.

**Outside.** Outside of HUD housing (or “outside areas”) refers to the building site, building exterior components, and any building systems located outside of the building or unit. Examples of “outside” components may include fencing, retaining walls, grounds, lighting, mailboxes, project signs, parking lots, detached garage or carport, driveways, play areas and equipment, refuse disposal, roads, storm drainage, non-dwelling buildings, and walkways. Components found on the exterior of the building are also considered outside areas, and examples may include doors, attached porches, attached patios, balconies, carports, fire escapes, foundations, lighting, roofs, walls, and windows.

While the above definitions include areas and components that are covered by the regulation, they are not all required to be inspected for an HCV inspection.

- **The Life-Threatening** category includes deficiencies that, if evident in the home or on the property, present a high risk of death to a resident.
- **The Severe** category includes deficiencies that, if evident in the home or on the property, present a high risk of permanent disability, or serious injury or illness, to a resident; or the physical security or safety of a resident or their property would be seriously compromised.
- **The Moderate Health and Safety** category includes deficiencies that, if evident in the home or on the property, present a moderate risk of an adverse medical event requiring a healthcare visit; cause temporary harm; or if left untreated, cause or worsen a chronic condition that may have long-lasting adverse health effects; or that the physical security or safety of a resident or their property could be compromised.
- **Low** deficiencies critical to habitability but not presenting a substantive health or safety risk to resident.

## **M. TENANCY APPROVAL AND HAP CONTRACT EXECUTION**

### **Documents to be submitted**

The owner is required to use the same lease used for non-subsidized tenants. The lease must contain, word for word, all provisions contained in the HCV Lease Addendum. The owner's lease must be compliant with all state and local laws and the owner will be required to sign a certification to that effect. If the owner does not have a standard lease, he/she may use a lease provided by the BGHD. If there is a conflict between the language contained in the HUD lease addendum and other sections of the owner's lease, the lease addendum will prevail. The term of the lease must be for one year and will end at the end of the month prior to the tenant's recertification date.

### **Rent Reasonableness**

Rent reasonableness will be determined when approving RTA and when owners request rent increases. This determination will be made on a case-by-case basis by which the BGHD will compare the requested unit to unassisted units that are comparable. Comparable records will be maintained and updated annually. A landlord may submit comparable units to the BGHD at lease up or reexamination and must submit comparable units upon request of the BGHD.

### **Tenancy Approval**

After the BGHD has reviewed the Request For Tenancy Approval, certified and documented Rent Reasonableness, conducted a passing inspection, checked to make sure the gross rent is within applicable limits and does not exceed 40% of the tenant's adjusted monthly gross income, the BGHD may approve the lease. If the BGHD determines that the lease cannot be approved for any reason, the landlord and the family will be notified.

### **HAP Contract Execution**

The BGHD will approve a new lease and execute a new HAP contract in the following cases:

- a) There are changes in tenant or owner supplied utilities or appliances;
- b) There are changes governing the term of the lease; or
- c) The family (applicant or participant) moves to a new unit (even if the unit is in the same building or complex)

When the lease approval process is completed, the BGHD will prepare the HAP contract. The BGHD will compute the TTP, tenant rent, utility reimbursement (if any) and the housing assistance payment. The HAP Contract must be signed within 60 days of the lease date or assistance payments cannot be paid retroactively. The tenant and landlord are provided copies of the lease addendum, lease and a HAP Contract.



## **N. OWNER PAYMENT AND UTILITY ALLOWANCE**

### **Owner Payment**

The payment to the landlord is based upon Contract Rent approved by the BGHD less the Tenant Rent determined by the BGHD.

### **Utility Allowances**

If the family pays for some or all utilities, the BGHD will calculate a utility allowance. The allowances are based on utility rates and average consumption estimates, not on a family's actual energy consumption. The utility allowance schedules are to be reviewed annually.

### **Making Payments to Owners**

Once the HAP contract is executed, the BGHD begins processing payments to the landlord. Checks are computer-issued and are written at the end of each month and if needed at the middle of the month. Every effort will be made to mail the assistance checks in time that they will be received by the Landlord by the first of the month, but checks are not considered late unless not received by the 10<sup>th</sup> of the month. Failure to receive the check due to mail delays is not the responsibility of the BGHD. A HAP register will be maintained as a basis for monitoring the accuracy and timeliness of payments.

### **Utility Reimbursement Payments**

Where the utility allowance exceeds the Total Tenant Payment of the family, the BGHD will provide a Utility Reimbursement Payment for the family each month. The checks will be sent directly to the utility companies.

## O. ANNUAL ACTIVITIES

The BGHD conducts two activities on an annual basis including: reexamination of income, assets, and deductions and a Contract Rent increase if requested properly by the Owner. These activities may occur simultaneously but are not required to be conducted simultaneously.

### Annual Recertification

Families must provide verification of income, assets, allowances, deductions, and family composition annually. Annual reexaminations are effective on the first day of the month prior to the anniversary of the lease. Income limits will not be used as a test for continued eligibility at reexamination. For example, a family who has been admitted into the HCV Program by passing the Very Low Income Limit test cannot be terminated at reexamination because their income has increased above the Very Low Income limit. They will, however, be terminated if their income has increased to a level which makes their TTP equal to or in excess of the Gross Rent and remains at that level for a period of six months.

#### 1. Reexamination Notice to the Family

The BGHD will maintain a re-examination tracking system and 90 to 120 days in advance of the scheduled annual re-exam effective date, the head of household will be notified by e-mail/mail that he/she is required to complete the re-examination process on the BGHD portal, or contact the office and request it to be processed by mail or in person. Tenants will be encouraged to complete their re-examination process on-line on BGHD portal. Interviews could be conducted by phone or in person. If the family fails to complete the process on-line/mail/in person, or respond to all attempts for an interview, a second notice will be sent. If the family fails to respond to this second notice, a Termination Notice will be sent. The Termination Notice will be voided if the family makes and keeps a recertification interview, and provide all documents need to complete certification, prior to the effective date of the termination. If all required recertification documents are not received at least 60 days prior to the recertification date a Termination Notice will be sent.

#### 3. Verification of Income, Assets, and Deductions

All information will be verified in accordance with verification procedures outlined in Section H--Verification Policy.

#### 4. Changes in Tenant Rent

When the information is analyzed, all necessary documents are prepared and signed by the tenant, and all other requirements have been met, the BGHD will recalculate the tenant's portion of rent. The BGHD will notify both the tenant and landlord of the completion of the amendment, any change to the contract rent and/or HAP amount and the effective date of the change.

### **Rent Increases by Owner**

If proper procedure is followed, the tenant must agree to the approved rent increase in order to remain in the unit or request to move. If the tenant refuses an approved rent increase but stays in the unit, the landlord may evict the tenant for non-payment of the rent, if any portion of tenant's rent is unpaid. Rent increases will require submission of a Request for Rent Increase (or Request for Tenancy Approval if a new lease is to be executed) and will be granted as follows:

1. It has been at least 12 months since the tenant first leased the unit.
2. A completed Request for Rent Increase form has been submitted to the BGHD at least 60 days in advance.
  1. The requested rent is comparable to the rents charged for comparable units.
  2. If a new lease is requested by the landlord, a completed and signed Request for Tenancy Approval must be submitted 60 days prior to the effective date of the rent increase. The Request for Tenancy Approval is used in place of the Rent Increase Request form.

### **Annual Adjustments in Voucher Payment Standards**

The BGHD will have the option of adjusting the payment standard in conjunction with adjustments in the Fair Market Rent schedule published by HUD. Any adjustment to the Payment Standard will ensure that the Payment Standard remains within the range of 90% to 110% of the published Fair Market Rent for the appropriate bedroom size. If there is an affordability adjustment (increase only) in the Payment Standard between a tenant's annual re-examination dates, the new payment standard will be used when calculating rent during the next annual re-exam. No change in a family's payment standard based on a change in the composition of the household will occur between annual re-exam as long as they remain in the same unit. If because of a change in family composition current unit is found be overcrowded, notice is sent to the tenant and the owner that HAP will stop on the end of the next month. If new unit is not approved, BGHD may continue with the HAP until the new unit becomes available for the family.

The BGHD may establish an exception payment standard of not more than 120 percent of the FMR as a reasonable accommodation. If the requested payment standard is in excess of 120 percent of the FMR the BGHD may seek HUD approval.

## P. INTERIM RECERTIFICATION

### Interim Procedures

TTP and Tenant Rent will remain in effect for the period between regularly scheduled reexamination except:

1. The tenant must report the following changes within 14 days of onset:
  - a. Any increase in household income and assets - Any incremental increases in gross annual household income and assets that has effect on Tenant Rent and HAP will be processed as an interim.
  - b. All changes in household composition - All additions to the household due to birth, marriage, divorce or court awarded custody will have automatic approval. All other additions are subject to approval at the discretion of staff and will be approved on a case by case basis, considering things such as: maximum occupancy of the unit; medical needs of the assisted tenant; educational needs; etc.
2. The tenant may report any of the following changes:
  - A. Increase in allowances or deductions.
  - B. Decreases in income.

Failure to report required increases in income within fourteen (14) days of onset will constitute program fraud and may result in

- (1) Retroactive rent calculations and/or
- (2) Termination of assistance.

A participant who owes BGHD monies for “overpaid assistance, including utility reimbursement payments” will be offered to pay the balance in full, or a monthly repayment plan. The repayment plan will capture all unreported income from the date of onset to the effective date of the interim or all under reported income in excess of \$2400 in annual income.

Interim Change Reporting Form will be used to verify when family reported the change and attempts to secure third party verification between annual re-certifications. If all attempts fail, the self-reported amount will be used to calculate TTP until third party verification is obtained.

Changes in expenses/contribution calculated on the Minimal Income Worksheet are treated as any other income and will be processed as an interim if it would result in

change of Tenant Rent or HAP.

#### **“HOTMA RULES PENDING HUD APPROVAL**

*A family may request an interim determination of family income or composition because of any changes since the last determination. The HD will conduct any interim reexamination within 30 days after the family request or when the BGHD becomes aware of a change in the family’s adjusted income that must be processed in accordance with the final rule.*

*Families must report all changes in family income or composition within 14 calendar days from the effective date of the change to be considered “timely.”*

- *Timely reporting related to an increase in rent: When a family reports a change in family income or composition that will result in an increase in tenant rent, the family will be provided a minimum of 30 calendar days’ notice of the rent increase. The rent increase will be effective on the first of the month following the end of the 30-day notice.*
- *Timely reporting related to a decrease in rent: Families that report changes in family income or composition within 14 calendar days from the effective date of the change that results in a decrease in tenant rent, the decrease will be effective the first day of the month after the date of the actual change leading to the interim reexamination of family income.*
- *Untimely reporting related to an increase in rent: Families that do not report changes in family income or composition within 14 calendar days from the effective date of the change, that will result in an increase to tenant rent, will have the rent increase implemented retroactively to the first of the month following the date of the change leading to the interim reexamination. The family will owe a one-time payment equal to the difference in the rent paid and the new increased rent for each monthly rental period from the time of the change in circumstances through the date of the interim reexamination. Monthly repayment plan may be offered.*
- *Untimely reporting related to a decrease in rent: When a family does not report a change in a timely manner that will result in a decrease in tenant rent, HD will implement the decrease no later than the first of the month following completion of the reexamination. However, HD may make a determination that the late report was due to circumstances outside of the family’s control and that the decrease will be implemented retroactively. When the determination is made that the late report was outside of the family’s control, then a retroactive decrease may be applied beginning on the later of the first of the month following the date of the actual decrease in income or the effective date of the most recent admission, interim, or annual income examination. A rent adjustment cannot be retroactive to a date prior to the last income examination.*

Rent increase or decrease?	Did family report changes timely per PHA policy?	Effective date of new rent
Decrease	Yes	The first day of the month after the date of the reported change.
Decrease	No	The first of the month following the PHA's completion of the IR reexamination.
Increase	Yes	The first of the month after the end of the 30-day advance notice period.
Increase	No	Retroactive to the first of the month following the date of the change.

*In case of any rent adjustment, the family will be provided with clear, written communication after the interim reexamination that shows: Any one-time charge or credit due to a retroactive adjustment.*

1. *The new monthly rent due.*
2. *The date that rent is due.*
3. *The date of the family's next annual income reexamination."*

7. Effective Dates of Net Adjustments

1. Increases in TTP resulting from a net increase in gross annual household income that would increase the family share, will become effective on the first day of the month after giving reasonable written notice to the family and the owner. Assuming the family reported change within 14 days of occurrence and provided information as required, the BGHD will consider reasonable time to be approximately 30 days. If the family fails to report an increase in income within the 14 day window, or causes a delay in annual re-examination processing, then the 30 day notice may be forfeited and the effective date of an increase may be effective on the first day of the month following the date of reported/discovered increase in income or on the re-examination due date.
2. Decreases in TTP resulting from a net decrease in gross annual household income or an increase in deductions or allowances that would lower the family share, will become effective:
  - If there is a decrease in the family share, the effective date of the change occurs on the first day of the month following the date of the reported change.
  - In cases where the family failed to report the change, the BGHD will not make the notice effective retroactively.

***"HOTMA RULE PENDING HUD APPROVAL***

***1. Increases.*** *BGHD will conduct an interim reexamination of family income when the BGHD becomes aware that the family's adjusted income has changed by an amount that the BGHD estimates will result in an increase of 10% or more in annual*

*adjusted income or another amount established through a HUD notice. A series of smaller increases between annual recertifications reported in adjusted income may cumulatively meet the 10% increase threshold, at which point the BGHD will conduct an interim reexamination.*

*2. **Decreases.** A family may request an interim reexamination of family income for any change since the last determination, however, an interim reexamination will be conducted when HD becomes aware that the family's adjusted income has changed by an amount that is estimated to result in a decrease of 10% or more of the family's annual adjusted income or another amount established through a HUD notice. However, HD will apply a 0-percent threshold and will process an interim reexamination when there is a decrease in family size attributed to the death or permanent move-out from the assisted unit of a family member during the period since the family's last reexamination that results in a decrease in adjusted income of any amount. If there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination. Calculated percentage decreases less than 10% will not be rounded up to the nearest whole number.*

*No interim reexaminations will be conducted due to increases in annual adjusted income in the three months before the next regular annual examination. Families who delay reporting income increases until the last three months of their certification period may be subject to repayments.”*

### **De Minimis Errors**

De minimis errors occur when a BGHD's determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income). HUD may revise the amount of de minimis error through rulemaking.

Once the HD becomes aware of the existence of an income calculation error, the error(s) will be corrected retroactive to the effective date of the action resulting in an error regardless of the dollar amount associated with the error. Families will not be required to repay HD in instances where HD miscalculated income resulting in a family being undercharged for rent. Once HD becomes aware of the error the family will be provided with a 30-day notice of the increase to their rent portion. HD will take corrective action to credit or repay a family if the family was overcharged tenant rent, including de minimis errors, in the income determination. The family's rent portion will be temporarily adjusted down with additional HAP going to the property owner. HD will send a letter to the family and the landlord prior to the change in payments notifying them of the change and the duration of the change.

### **Timely Reporting**

The standard for reporting changes for interims in a timely manner is for the family to report the change within fourteen (14) days of onset.

Timely reporting of changes in gross annual household income will allow the BGHD to determine whether or not an interim adjustment is necessary, pursuant to the policy outlined in Section P, Interim Recertifications. If not reported within the 14 day window, the grace period is forfeited and the increases in gross annual household income may result in a Repayment. In the event income was not reported within the 14 day window, if the income is ongoing, an interim will be processed, regardless of the amount.

### **Missed Appointments**

It is the family's responsibility to attend any scheduled meetings. Reschedule requests must be made 24 hours in advance. Illness or interference with work/school schedule will be excusable. Generally, if the family misses one appointment, a second will automatically be scheduled. If the family fails to appear for a second scheduled meeting without a verifiable legitimate excuse, the family may be terminated in accordance with termination and informal hearing procedures.



**Q. REPAYMENT AGREEMENTS**

If unreported/under-reported income results in overpayment of housing assistance, participant may pay the overpaid amount in full or request a monthly Repayment Agreement/Plan. Failure to execute a repayment agreement in a timely manner or failure to make timely payments will be grounds for termination of assistance.

Repayment Agreements will be executed according to the following standards:

- a. If amounts owed to the BGHD which are less than or equal to \$100, the balance due must be paid in full within 30 days of notification.
- b. After initial payment of \$100, a Repayment Agreement will be processed based upon the total amount owed:

\$101 - \$999	12-month repayment plan, minimum \$50mo
\$1,000-1,999	24-month repayment plan, minimum \$50mo
\$2,000-\$2,999	36-month repayment plan, minimum \$50mo

Participants may choose higher monthly payments than required or they may choose to pay the balance in full at any time during the term of the agreement.

- c. Unreported income in an amount exceeding a total of \$10,000 or an amount owed to the BGHD exceeding a total of \$3,000 will be grounds for automatic termination and issuance of a Repayment Agreement.
- e. If at any point tenant has more than 3 (4 or more) unreported, late reported, or under-reported incomes that will result in more than 3 (4 or more) overpayments during the most recent 36 month period, these actions will be considered as repetitive violation of family obligation and fraud, which will result in automatic termination of assistance.
- f. Repayment agreements executed for minimal rent suspension will have monthly payments of \$25.00 to be paid in full over maximum period of 12 months.
- g. All payments must be received by the fifth day of the month. If the family's payment is two (2) months delinquent, the repayment agreement will be in default on the last day of the second month and all monies will be due in full.
- h. If the family fails to make restitution as outlined in this section, assistance will be terminated. If a family is terminated from the program with debt owed to BGHD, the BGHD will report and submit the owed amount to the HUD's EIV System to restrict family participation in any other subsidized housing programs until the debt is paid in full.
- j. Outstanding debts may be turned over to collections.

The BGHD may deny or terminate assistance for breach of agreement. A participant requesting to exercise portability must pay any monies owed in full prior to being issued a portability voucher. In the event that a repayment is being processed at the time a family requests to exercise portability, the repayment must be processed and the family

must pay in full the monies owed prior to the portability request being approved. All participants requesting to move within the BGHD's jurisdiction must be current with their repayment agreement.

Past tenants with debt owed to HD who are currently receiving assistance with another BGHD and requesting a "Good Standing" letter have an option to pay the debt in full, or be in a good standing with their repayment agreement before the letter can be issued. If a monthly repayment agreement is requested, the schedule will be approved as following:

- First payment: at least  $\frac{1}{2}$  of total debt amount
- Remaining balance: to be paid in two equal payments within next 2 months.

If this agreement defaults at any time before the debt is paid in full, other BGHD will be notified that the tenant is no longer in a good standing and the BGHD may terminate their assistance.

## **R. MOVING WITH ASSISTANCE**

### **Family Moves**

The family may move with assistance after the first year of their lease as long as they do not owe the BGHD any monies or they are current with their repayment agreement, they are not under threat of eviction or termination and are otherwise in good standing with the BGHD.

### **Family Notice to Move**

In order to move in compliance with the program and continuation of HCV assistance, a family must give their current landlord a 30-day written notice on a BGHD form (30 day notice). The BGHD terminates HAP Contracts only on the last day of the month. The Intent to Terminate must be signed by both the tenant and landlord and submitted to the BGHD by the last day of the month prior to the month in which the family wants to move (i.e., if the family wants to move on January 31, the Intent to Terminate must be submitted by December 31. The BGHD gives final approval. Families may only terminate the lease after they have satisfied all lease obligations.

Permission to move with assistance prior to the expiration of the lease must be approved by the BGHD and will be granted on a case by case basis for reasons involving a direct threat to the health and/or safety of a household member\_ (i.e., relocation out of the jurisdiction to escape a documented physically abusive relationship; relocation from a non-code compliant unit if non-compliance is not the fault of the tenant) and will be granted only if the family is in good standing and has not violated owner's lease and other program rules.

Leases will be terminated only on the last day of the month.

If a family vacates a unit without proper approval or notice to the owner and/or the BGHD, it will be considered a violation of family obligations and the family's assistance will be terminated.

### **Overlapping HCV Payments**

If a family moves from an assisted unit with continued assistance, the effective date of the assistance at the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of HCV assistance payments (for the month when the family moves out of the old unit) and the first HCV assistance for the new unit, is not considered duplicate housing subsidy. Overlapping HCV assistance are not allowed if the owner of the new unit and the old unit is the same.

### **Split Households**

When the household is divided and becomes more than one household (e.g. divorce or legal separation), the BGHD must determine who is eligible to participate in the program. Either party may retain the Voucher if there is mutual consent or a Court stipulated determination of which party retains the HCV assistance. The HC will be required to make the decision in the absence of mutual consent or a Court decision. In making such decision, the HC will consider the desires of the parties involved, which party has the children, to whom the assistance was issued originally if not jointly, and who remains in the unit. Documentation to prove these items will be provided. The BGHD reserves the right to issue a Voucher to both adult members of the tenant family, based upon availability, if loss of assistance would cause extreme hardship.

### **Owner Notice to Move (Eviction)**

In order to terminate a tenancy, the owner must give the tenant a written notice and the notice must contain the reason(s) for the termination. The owner must complete a Forcible Detainer form and get an Eviction Notice from the District Court Clerk. Copies of the written notice, Forcible Detainer and Eviction Notice must be provided to the HCV office and the owner must report the court decision to the BGHD after the court hearing. Court ordered eviction will be grounds for termination, if the reason(s) for eviction would also violate any of the program rules or the owner's lease. Assistance will also be terminated when a family leaves the unit while an eviction process is taking place, but before a court decision is made, or leaves the unit in order to avoid court eviction. HAP will continue to be paid until the court ordered date to vacate or the tenant vacates the unit, whichever comes first. Owners not willing to renew the lease after one year must give the tenant at least 30 days notice to move.

### **Family Misrepresentation**

If a family has committed fraud or misrepresented information in connection with the HCV Housing Program, the BGHD may terminate assistance and/or, if the fraud or misrepresentation involves an overpayment of rental assistance, the rule for repayment as outlined in Section XVII, Paragraph A will be followed.

### **Owner Misrepresentation**

If the landlord has committed fraud or misrepresentation in connection with the HCV Program, the BGHD will review the circumstances and may require the owner to repay any due monies or overpayment and continue to honor the contract and/or may decide to terminate assistance and cancel the HAP contract. The BGHD will make every effort to recover monies due from the owner/landlord resulting from misrepresentation or fraud. The family's involvement will be examined to determine if the family is eligible for choice to relocate to another unit with continuation of assistance. If the owner commits fraud or fails to repay any overpayment of HAP, the BGHD may bar the owner from

future participation in the program. The BGHD, depending on the seriousness of the offense, will determine the period of time. It is the responsibility of the owner to notify the BGHD of any absence from the unit as soon as he/she is aware of it. If it is determined that the family has moved from the unit without notice, the landlord may be required to repay the BGHD for any HAP paid during a month in which the tenant did not live in the unit.

### **Change in Ownership**

The BGHD will process a Transfer of Ownership upon the request of the new owner and only in accordance with PVA records or a copy of the recorded deed. An owner can be paid through a management company with the agreement of the owner. The new owner or management company must complete a vendor form if not already an approved vendor and must provide documentation of the owner's TIN or social security card. HAP payments will be on the hold or made payable to the owner of record in the PVA or through a management company. HAP will be sent to the new owner or management company beginning with the next regular HAP Payment cycle.

### **Owner Fails to Correct HQS Items**

Should the BGHD find it necessary to terminate a HAP contract due to the owner's failure to correct HQS fail items and the HCV family has to move as a result of this non-compliance, the BGHD may decline to approve the owner for new HCV contracts for a minimum of one (1) year and upon written assurance from the owner that he/she will fulfill the requirement of the HQS in the future. In making this decision, the history of the owner in HQS compliance will be considered.

## **S. DENIAL OR TERMINATION OF ASSISTANCE**

### **Grounds for Denial of Admission**

Grounds for denial of admission may include but are not limited to the following:

1. Unpaid debt to this or other BGHD
2. Release from incarceration or conviction on drug-related or violent criminal charges within 3 years prior to admission (VAWA applies—see Section D—Victims of Domestic Violence)
3. Head of Household under 18 years of age
4. No household member who is a legal resident of U. S.
5. Failure to submit requested or required documents within prescribed time (social security number disclosure, evidence of citizenship or eligible status, etc.)
6. Prior fraud in HUD program
7. If any family member has a conviction of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing (this denial is immediate and permanent)
8. If any family member is subject to a current or lifetime registration requirement under a state sex offender registration
9. Threatening or abusive behavior toward BGHD staff  
Voucher expiration
10. Eviction from Public Housing, Indian Housing, or HCV Housing programs because of drug related or violent criminal activity, within 3 years prior to admission.

### **Grounds for Termination of Assistance**

Grounds for termination from the program may include but are not limited to the following:

#### **Eligible to reapply 3 years from date of termination:**

1. Court eviction, if the reason(s) for eviction would also violate any of the program rules or the owner's lease, or family moved out from the assisted unit to avoid court eviction.

2. Unreported, late reported, or under-reported incomes that resulted in more than 3 (4 or more) repayment agreements during the most recent 36 month period (debt must be paid in full)
3. Failure to maintain HQS/IPMC standards, excluding tenant-supplied utilities
4. Threatening or abusive behavior toward BGHD staff
5. Evidence of drug related criminal activity or violent criminal activity by a member of the assisted household, guest, or person in the unit with express or implied permission of the assisted household taking place on the premises of the assisted unit.
6. Alcohol abuse which interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents by a member of the assisted household, guest, or person in the unit with express or implied permission of the assisted household.
7. Conviction of any drug related or violent criminal activity by any members of the household - If there has been an arrest but no conviction in the case of drug-related (other than under #5 above) or violent criminal activity, termination may be delayed until the BGHD is able to determine if there will be a conviction. However, if credible or a "preponderance of the evidence" is found to exist, that a family member has engaged in drug-related or violent criminal activity, the BGHD may terminate assistance based on those facts.
8. Unauthorized person in household
9. If a family member is convicted of drug-related criminal activity for manufacture or production of methamphetamine – Not eligible to reapply

Eligible to reapply immediately (no waiting period):

1. Violation of any Family Obligation
2. Moving w/o proper notice
3. Unapproved move during first year of lease
4. Unreported income/Default on Repayment Agreement (eligible to reapply once debt is paid in full)
5. Moving voucher expiration

6. Tenant request
7. Failure to recertify/failure to keep appointment

### **Explanation of Drug Related/Violent Criminal Activity**

1. Drug Related Criminal Activity means:
  - a. The manufacture, sale or distribution, the possession with intent to manufacture, sell or distribute, or use or possession of a controlled substance (as defined in the Controlled Substance Act);
  - b. For use or possession (other than with intent to manufacture, sell or distribute), if the family member demonstrates that:
    - 1) He/she has an addiction to a controlled substance; and,
    - 2) Is recovering or has recovered from such addiction; and,
    - 3) Does not currently use or possess a controlled substance; and,
    - 4) Has successfully completed a supervised treatment program; and,
    - 5) At least 12 months have lapsed since completion of the program; then; the family shall not be denied admission to the program based solely on the criminal charges of possession or use.
2. Violent Criminal Activity means:
  - b. Any criminal activity that has one of its elements the use, or threatened use, of physical force against the person or property of another. HM shall review the police report and a determination made regarding the element(s) of violence.
  - c. Denial of admission or termination shall result if any of the following elements are present in the crime as reported in the police report narrative:
    - 1) Presence of a weapon.
    - 2) Physical contact via kicking, hitting, biting, etc.
    - 3) Shoving, in the absence of other physical contact, shall not be considered grounds for denial or termination.
    - 4) Verbal assault, in the absence of any physical contact, shall not be considered grounds for denial or termination of assistance.
    - 5) Actions, which are deemed to be in self-defense where the other party instigated the incident, shall not be considered grounds for denial or termination of assistance.
    - 6) Any activity which results in substantial property damage (\$1,000+)



## **Verification Procedure for Drug/Violent Criminal Activity or Alcohol Abuse**

### 3. Drug Related/Violent Criminal Activity

Verification that an applicant has not been involved in any drug-related or violent criminal activity will be accomplished by searching nationwide criminal records, local police records, or any other publicly available source for any family member age 18 or older. Monitoring arrest records weekly and requesting copies of police reports and/or court documents will accomplish verification of drug-related or violent criminal activity on the part of an active tenant.

### 4. Alcohol Abuse

Verification that an applicant is not a chronic alcohol abuser will be accomplished by searching nationwide criminal records, local police records, or any other publicly available source for any family member age 18 or older. Records of three (3) or more alcohol related incidents during the 6-month period within previous 36 months will be evidence of chronic alcohol abuse and grounds for denial of admission. Records of three (3) or more alcohol related incidents on the part of an active tenant, during the 6-month period within previous 36 months will be evidence of chronic alcohol abuse and grounds for termination.

## T. COMPLAINTS AND APPEALS

### **Informal Review for Applicants**

A “review” is for applicants and Voucher holders not yet under lease and contract and all families on the HCV waiting list.

Families will be notified of their right to an informal review in circumstances in which the BGHD makes a decision affecting eligibility or refusal of assistance. The BGHD will give the family prompt, written notice of the determination and will briefly describe the reasons for the decision, the procedures for requesting a review and the time frame for requesting it.

To make a request for an Informal Review, the applicant must submit a written request to the HCV office within ten (10) days of the date of the notification of ineligibility.

- 1) The review will be conducted by any person or persons designated by the BGHD, other than a person who made or approved the decision under review
- 2) The applicant will be given an opportunity to present written or oral objections to the BGHD decision.
- 3) The BGHD will notify the applicant of the BGHD final decision after the informal review, including a brief statement of the reasons for the final decision.

The BGHD is not required to provide the applicant an opportunity for an informal review for any of the following:

- 1) Discretionary administrative determinations by the BGHD.
- 2) General policy issues or class grievances.
- 3) A determination of the family unit size under the BGHD subsidy standards.
- 4) A BGHD determination not to approve an extension or suspension of a voucher term.
- 5) A BGHD determination not to grant approval of the tenancy.
- 6) A BGHD determination that a unit selected by the applicant is not in compliance with HQS.
- 7) A BGHD determination that the unit is not in accordance with HQS because of the family size or composition.

### **Informal Hearing Procedure for Participants**

1. Appeals by participants of the HCV Program shall be handled in accordance with HUD regulations governing such hearings. Participants are defined as those families who have an effective lease and are currently participating in the HCV program.

They must be notified of their right to an Informal Hearing in circumstances in which the BGHD makes a decision that will affect their eligibility or assistance. The BGHD will give the participant prompt written

notice of the determination that will describe the reasons for the decision, the procedures for requesting an Informal Hearing and the time frame for requesting one.

2. All requests for Informal Hearings must be made in writing within ten (10) days from the date of the notification (termination) letter. The Hearing Board shall consist of at least three individuals appointed by the Executive Director, other than a person who made or approved the decision under the hearing. The role of the Hearing Board shall be to review all evidence presented and to make a determination regarding the following:
  - a. Was proper procedure followed by the BGHD;
  - b. Was there a violation(s) of HCV regulation as stated in the Family Obligations, HUD regulations, and/or the Administrative Plan; and,
  - c. Were extenuating circumstances could explain and/or excuse the violation(s) and allow for the reversal of the BGHD's initial decision.

A notice of the findings of the Review or Hearing shall be provided in writing to the BGHD with a copy to the applicant or participant and shall include a brief explanation of the reasons for the final decision. All requests for a Review or Hearing, supporting documentation, and a copy of the final decision will be retained in the family's file. For decisions pertaining to termination of assistance, the Hearing will be conducted prior to termination.

3. The BGHD and applicant/participant shall be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence. At the applicant's or tenant's own expense, he/she may be represented by counsel or other representative.
4. The BGHD is not bound by a Review or Hearing decision for the following:
  - a. A matter for which the BGHD is not required to provide an opportunity for an Informal Hearing or Review, or otherwise in excess of the authority of the person conducting the procedures, or
  - b. A matter that is contrary to HUD regulations and requirements, or otherwise contrary to federal, state, or local law.
5. If the BGHD determines that it is not bound by a decision, the BGHD shall promptly notify the applicant/participant of the determination, and if the reasons for the determination.

## **Denial of Request for Review or Hearing**

The BGHD is not required to provide an Informal Hearing or Review in accordance with the following:

1. To review discretionary administrative determinations by the BGHD, or to consider general policy issues or class grievances.
2. Establishment of the BGHD schedule of utility allowances for families in the program.
3. To review the BGHD's determination of the number of bedrooms entered on the voucher under the occupancy standards established by the BGHD.
4. To review the BGHD's decision not to approve a request by a voucher holder for an extension or suspension of the term of the voucher.
5. A determination by the BGHD to exercise or not to exercise any right or remedy against the owner under a HAP contract
6. To review the BGHD's determination that a unit located by a voucher holder does not comply with the BGHD's Housing Quality Standards, that the owner has failed to maintain or operate a contract unit to provide decent, safe, and sanitary housing (including all services, maintenance, and utilities required under the lease) or that the contract unit is not in compliance because of an increase in family size or change in family composition, or the BGHD's determination not to approve a unit or tenancy.

## **U. MONITORING PROGRAM PERFORMANCE**

Program performance is monitored via the following methods:

1. Monthly via Stats Report and Quality Control monitoring
2. Monthly via submission of VMS data
3. Quarterly via HUD Leasing and Utilization Review
4. Annually via the Section 8 Management Assessment Program (SEMAP)  
Annually via submission of Financial Assessment—Public Housing (FASS-PH) data
5. Annually via an independent audit.
6. Periodically via an internal audit.

Additionally, the BGHD will submit to HUD a Five (5) Year Plan and annual plans thereafter, no later than April 15<sup>th</sup> of each year. Specific problems in program administration are addressed on a case-by-case basis and specific issues are addressed at weekly staff meetings. If the BGHD receives any report of fraud, waste, and mismanagement, staff addresses these reports by following up on the report, using available resources and means, providing documentation to the tenant's file and taking appropriate actions.

## V. MISCELLANEOUS

### **Maintenance**

The BGHD has the authority to make interim changes without Board of Commission approval as long as the changes are clarifying existing policies or the changes are necessary to meet new or existing guidelines and regulations established by HUD. Plan changes that do not meet the above criteria cannot be made without approval of the Board of Commissioners.

### **HUD Special Rule**

If the BGHD receives additional funding from HUD for a special purpose (e.g. desegregation, special families, or special category of families) the rules and regulations of that specific program are hereby adopted and made part of this plan for the duration of the funding.

### **Threshold on Operating Reserves**

The BGHD must receive Board of Commission approval in order to spend any Operating Reserves on expenses other than Administration.

**W. APPENDIX**

<b>Appendix I</b>	<b>Housing Choice Voucher Homeownership</b>
<b>Appendix II</b>	<b>Scholar House Program Agreement</b>
<b>Appendix III</b>	<b>Definitions</b>
<b>Appendix IV</b>	<b>Student Income</b>
<b>Appendix V</b>	<b>Family Obligations</b>

## Appendix I

### Housing and Community Development Housing Choice Voucher Homeownership Program

#### Administrative Plan

##### *Purpose*

The purpose of the Homeownership Program is to utilize Housing Choice Voucher Rental Assistance (HCV) Program funds to subsidize mortgage payments on units occupied by the qualified owner-family. Historically, Housing Choice Voucher funds have been restricted to use as rental assistance. It is hoped that, by broadening the use of these funds to include mortgage subsidy, more very low-income families can become homeowners and begin to build assets for their future as productive, self-sufficient citizens.

##### *Availability*

Twenty-five slots will be made available per fiscal year on a first-come, first-served basis to qualified HCV Program participants/voucher holders who want to participate in the Homeownership Program. The BGHD reserves the right to increase the initial number of slots if it is judged to be in the best interest of the program and of the community.

##### *Eligibility*

- A. Current Housing Choice Voucher Participants. HCV Program participant may participate in the Homeownership Program if the BGHD determines that all basic eligibility criteria outlined in D below have been met. If all criteria have been met, the family is eligible for participation in the Homeownership Program. If these families fail to complete the Homeownership process, they may be eligible to continue participation in the HCV Program.
- B. Current Applicant on Housing Choice Voucher Waiting List. An applicant family that reaches the top of the waiting list may apply for direct participation in the Homeownership Program prior to leasing if they meet the basic eligibility criteria identified in C below. When all basic criteria are met, the family may apply for participation in the Homeownership Program at the end of the initial lease term. If these families fail to complete the Homeownership process, they may be eligible to continue to lease through HCV as long as they remain in program compliance.
- C. In order to be approved for participation in the Homeownership Program, the family must meet the criteria as described below:
  1. The family must meet a minimum gross annual income standard equal to 2,000 hours at the current Federal minimum wage. Income from all adult household members will be counted toward this minimum and cannot include income from TANF and other incomes defined as Welfare Assistance, except in the case of an Elderly and/or Disabled families or a family requiring Homeownership



Assistance as a reasonable accommodation. In the case of Elderly and/or Disabled families, the minimum income shall be equal to the monthly Federal Supplemental Security Income (SSI) for an individual living alone or paying his or her share of food and housing costs multiplied by twelve months. (See Special Exemptions).

2. At least one adult household member must be employed full time (full time is defined as at least 30 hours per week). In order to account for possible breaks in employment, the family is considered to meet this requirement if the working family member worked at least 1200 hours in the twelve months prior to application for homeownership. (This standard does not apply to Elderly and/or Disabled families or to families requiring Homeownership Assistance as a reasonable accommodation. See Special Exemptions.)
3. The family must meet the definition of a First Time Homeowner.
4. The family must not have defaulted on any previous HUD subsidized mortgage.
5. At least one adult household member must agree to attend and successfully complete the Pre-Assistance Counseling Program. The components equivalent to the “Yes, You Can Own Your Own Home” counseling program must be completed prior to execution of the Intent to Purchase. Other components may be delayed at the discretion of the BGHD, but all components must be successfully completed prior to execution of the Homeownership Agreement.
6. The family must occupy the subsidized unit as its primary residence and agree not to sublet or rent the unit to any person or persons not authorized by the BGHD.
7. The family must have no outstanding debt to any BGHD.
8. The family must invest a minimum of \$500.00 or 2 months of PITI whichever is greater from their own funds toward the purchase of the home. Investment can be the sum of fees paid for home inspector, pre-pays at closing, downpayment, credit report fee, application fee, etc.
9. The family will be subject to and must agree to abide by all federal regulations and local policy pertaining to the HCV Program, including the Housing Choice Voucher Program Family Obligations. The family must sign the City of Bowling Green Housing Division Agency’s Homeownership Agreement (Homeowner Obligations form) prior to loan closing.
10. The family may not use the HCV assisted home as collateral for any other loan and may not refinance without prior BGHD approval.

### ***Special Exemptions***

The BGHD will grant exemption from the following eligibility criteria to (1) any family whose head or spouse is Elderly or Disabled or (2) any family, other than an Elderly/Disabled family, which includes a disabled person if the BGHD determines that an exemption is needed as a reasonable accommodation so that the

program is readily accessible to and usable by persons with disabilities:

6. Minimum income requirement for elderly/disable person is the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve. These families must still be qualified by a lender of their choice.
7. Exclusion of TANF from Minimum Gross Income. TANF of exempt families will be counted toward the minimum gross income requirement.
8. Work Requirement. Exempt families do not have to meet the work requirement standard.

### ***Selection***

Eligible participants will be chosen on a first come, first served basis and an Intent to Purchase will be executed, giving the family 90 days to complete the homeownership process, including loan closing. If the family fails to close the loan within 90 days of execution of the Intent to Purchase, the document will be null and void and the slot will be given to the next eligible applicant. If the family fails to meet the 90 day deadline due to circumstances beyond the family's control, the family may apply for a Hardship Extension, not to exceed an additional 30 days. The loan must close prior to the expiration of the Hardship Extension.

If at any time during the term of the Intent to Purchase the family decides not to continue to pursue homeownership or is determined not to be eligible, the family may be eligible to continue in the Housing Choice Voucher rental program. (See Eligibility Criteria page 1) If eligible, the family may remain in the current rental unit or may request a moving voucher to move to a new rental unit. A family may apply for the Homeownership Program only once in a twelve-month period.

### ***Family Responsibilities***

The family will be responsible for the following:

1. Selection of the unit. The family may select any home which is located within the corporate city limits of Bowling Green. The home must pass the Housing Quality Standards/IPMC inspection and an inspection by a Certified Independent Home Inspector. "Special Housing Types" will not be approved by the BGHD, including the following:
  - A. Single Room Occupancy (SRO);
  - B. Congregate Housing;
  - C. Shared Housing;
  - D. Manufactured Housing;
  - E. Cooperative Housing.
2. Financing. The family is responsible to secure financing. Financing must be provided, insured, or guaranteed by the state or Federal government, comply with secondary mortgage market

underwriting requirements, or comply with generally accepted private sector underwriting standards. Documentation to verify this compliance must be provided to the BGHD by the family.

The following types of financing will not be approved by the BGHD:

- A. Negative amortization loans;
- B. Loans which include any type of lump sum balloon payment;
- C. Owner/Seller financing (Land Sales Contracts);
- D. Construction loans.

3. Down Payment, Closing Costs, Incidental Expenses. The family will be responsible for meeting all down payment and closing cost requirements of the lender. The family will also be responsible for any and all incidental expenses, including the cost of hiring the Independent Home Inspector. The family's Monthly Homeownership Expense may not exceed 40% of monthly adjusted income and includes:
  - a) principal and interest payment paid by family
  - b) annual real property taxes divided into 12 equal payments
  - c) annual insurance premium divided into 12 equal payments
  - d) utility allowance as determined by the BGHD
  - e) maintenance expenses equal to 1% of the purchase price, divided into 12 equal payments. The family may opt to establish a savings account equal to 1% of the purchase price at the time of closing. If the family chooses this option, maintenance expenses will not be included in Monthly Homeownership Expenses.
4. Pre-Assistance Counseling. At least one adult household member must attend and successfully complete the Pre-Assistance Counseling Program prior to execution of the Intent to Purchase. At the discretion of the BGHD, certain components of the Program may be delayed but all components must be completed prior to execution of the Homeownership Agreement.
5. Post-Assistance Counseling. At least one adult household member must complete post-homeownership counseling annually in conjunction with annual recertification which will include a review of household budget and debt. Within the first 12 months of homeownership, at least one adult household member must attend a post-homeownership education program provided by a HUD approved Housing Counseling Agency. A family identified as having problems (i.e., have late or missed payments, received delinquent and/or foreclosure letters, etc.) will be required to repeat the post-homeownership education program provided by a HUD approved Housing Counseling Agency
6. Maintenance of the unit. The family will be responsible to maintain the unit in code-compliant condition during the term of the Homeownership Agreement.
7. Timely payments and non-default. The family will be responsible to make their portion of the monthly mortgage payment on time each month and to not default on the mortgage. If the family defaults on the mortgage, they will receive no special admission to the Housing Choice Voucher Program and will have to reapply for admission to the rental assistance program in order to receive rental assistance. If the family defaults on the mortgage, they will forfeit forever their

right to participate in a HUD subsidized Homeownership Program. The family must notify the BGHD immediately if they default on the mortgage securing any debt incurred to purchase the home.

8. The Family must execute Intent to Purchase in order to begin the process for participation in the Homeownership Program and must execute a Homeownership Agreement after loan approval and prior to loan closing. If at any time prior to execution of the Homeownership Agreement the family no longer meets the Eligibility Criteria, the BGHD may revoke the right of the family to proceed with the homeownership process. The Homeownership Agreement must be executed prior to the first subsidy payment and will serve as the “lock in” mechanism after which the BGHD may not revoke the right of the applicant to go forward with homeownership.
9. The family must provide copies of the following documents to the BGHD:
  - A. Contract of Sale which must include a Seller Certification that the seller is not debarred, suspended or subject to limited denial of participation under 24 CFR part 24;
  - B. Independent Home Inspection;
  - C. Underwriting compliance verification;
  - D. Good Faith Estimate;
  - E. Deed.
10. Independent Home Inspection. The family must provide the BGHD with a copy of an inspection completed by a Certified Independent Home Inspector, chosen and paid for by the applicant. The Home Inspector must provide a copy of the inspection to the family and to the BGHD.
12. The family must have fulfilled any current lease obligations unless the landlord agrees to void the lease agreement.
13. The employed household member must maintain full time employment as stipulated in D(2) while receiving mortgage assistance. Compliance with this requirement will be verified via quarterly monitoring of wages.
14. No family member may have any present ownership interest in a second residence while receiving homeownership assistance.

***BGHD responsibilities***

The BGHD will be responsible for the following:

Calculation of subsidy amount: The BGHD will calculate the amount of subsidy, based on the following criteria:

- a. Size and composition of family
- b. Suitability for long term occupancy
- c. Resale viability
- d. Availability of suitable housing
- e. Voucher funding availability

Once the family executes an Intent to Purchase and identifies a lender, a document will be provided to the lending institution as evidence of the BGHD's intended participation.

Payment of monthly mortgage subsidy: The BGHD will pay the subsidy portion of the mortgage directly to the mortgage holder on the first day of each month for a maximum of 180 months for a mortgage at least 20 years in duration and a maximum or 120 months for all others or until one of the following conditions exists:

- A. the family no longer participates in the HCV Program (voluntary withdrawal from the program by the family or termination from the program by the BGHD);
  - B. the family moves from the jurisdiction (portability);
  - C. the family sells the unit;
  - D. the family defaults on the loan;
  - E. 180 days has passed since the last Housing Assistance Payment on behalf of the family.
4. No limit for Exempt Families: If the head or spouse is elderly or disabled or the family requires Homeownership Assistance as a reasonable accommodation, there is no time limit on the subsidy. If, during the course of homeownership assistance, the family ceases to qualify as an exempt family, the maximum term becomes applicable, retroactive to the date homeownership assistance commenced. In this case, the family will be provided six months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive HCV homeownership assistance).
5. Annual Recertification: The BGHD will recertify the family annually, including a review of family composition and income. In the interim between annual recertifications, the family will be subject to the same reporting rules as participants in the HCV Rental Assistance Program. No annual inspection of the unit will be conducted.
6. Initial Inspection: The BGHD will conduct an initial inspection prior to execution of the Homeownership Agreement, in addition to the Independent Home Inspection. The family should request this inspection prior to submitting a contract to purchase the property or should make the offer contingent upon the unit passing the inspection.

### ***Portability***

Any family exercising Portability is subject to the "established residency" rule. A family who is a current participant in a Homeownership Program in another jurisdiction and is eligible to port into this jurisdiction will be absorbed into this BGHD's Homeownership Program. The family will be responsible for all the Family Responsibilities listed above, but will not be subject to availability.

A family who is participating in the Homeownership Program in this jurisdiction and wishes to exercise portability to move to another jurisdiction will be subject to all regular portability rules under the Housing Choice Voucher Program. The family must submit the required documents to the BGHD and must also absolve itself of any ownership interest in the current subsidized home by selling the property on the private market prior to moving. Participation in a Homeownership Program in the receiving jurisdiction is subject to

availability and at the discretion of the receiving BGHD.

### ***Repeat Participation in the Homeownership Program***

Families who have previously participated in the Homeownership Program and did not default on the loan and are currently participating in the Housing Choice Voucher Rental Assistance Program will be allowed to reapply for participation in the Homeownership Program after a one-year waiting period by following the program guidelines for admission.

Families currently participating in the Homeownership Program who wish to sell their current home and repurchase another home through the Homeownership Program will be allowed to do so, subject to approval by the HCV office. The family will be responsible to sell the currently assisted home and all ownership interest must be absolved prior to commencement of Housing Assistance Payments on the second unit. Unless exempt, the family must meet all income and employment requirements.

### ***Homeownership Assistance as a Reasonable Accommodation***

A family containing a family member with disabilities who requires homeownership assistance as a reasonable accommodation is eligible for the homeownership option, regardless of whether the family is a first-time homebuyer. Eligible families will be exempt from the Income Standard and Employment Requirement Standard.

### ***Definitions***

*HUD*-- U. S. Department of Housing and Urban Development.

*BGHD*--Public Housing Agency. In the corporate city limits of Bowling Green, Department of Neighborhood and Community Services-Housing Division.

*Intent to Purchase*--An agreement executed between the BGHD and the HCV ~~Section 8~~ tenant/applicant at the time that they decide to participate in the Homeownership Program. The agreement will be valid for a period of 90 days. Hardship extensions for up to 30 days may be granted, at the discretion of the BGHD, if requested by the family in writing.

*Homeownership Agreement (Homeowner Obligations)*--An agreement executed between the participant and the BGHD after loan approval and prior to loan closing which “locks in” the commitment of the BGHD to make subsidy payments on behalf of the homeowner. The Homeownership Agreement delineates the responsibilities of both parties during the period of participation in Homeownership Program.

*Portability*--The right of a HCV participant to move into another jurisdiction without having to apply to the jurisdictions’ waiting list. In order to be eligible for portability, an applicant must have (1) lived in the issuing jurisdiction for at least 12 months or (2) had an established residency in the issuing jurisdiction at the time of application for assistance. Current participants in the Homeownership Program who wish to exercise portability must absolve themselves of their current ownership interest through a bona fide sale on the private market.

*First Time Homeowner*—A family which does not include any person who owned a “present ownership interest” in any residence during the three years prior to participation in the Home- ownership Program. A single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a first time homeowner for the purposes of the HCV Homeownership Program.

*Pre-Assistance Counseling Program*—A program covering topics such as: (1) home maintenance; (2) budgeting and money management; (3) credit counseling; (4) how to negotiate the purchase price of a home; (5) how to get homeownership financing; (6) types of approved financing; (7) Fair Housing; (8) Real Estate Settlement Procedures and truth in lending laws; and (9) how to find a home. Components of this program will be offered by the BGHD or other designated entity and must be completed successfully prior to execution of an Intent to Purchase. At the discretion of the BGHD, certain components may be delayed, but must be completed prior to execution of the Homeownership Agreement. Components equivalent to the “Yes, You Can Own Your Own Home” must be completed prior to execution of an Intent to Purchase and all components must be completed prior to execution of the Homeownership Agreement.

*Post-Assistance Counseling Program*- At least but not limited to, annual recertification interview with Homeownership Counselor consisting of verifying continued eligibility for mortgage assistance, reviewing household budget, reviewing household bills and proof of timely payments, a current credit report (if deemed necessary), review of home maintenance needed and how to finance it, address any concerns, review bank statements and completion of a post-homeownership educational program provided by a HUD approved Housing Counseling Agency that includes but not limited to foreclosure prevention, maintenance, predatory lending, budgeting and saving, etc.

*Homeownership Expense*—A family’s allowable monthly expenses for the home, including the following:

- Principal and interest on initial mortgage debt and any mortgage insurance premium (PMI) incurred to finance purchase of the home and any refinancing of such debt;
- Real estate taxes and public assessments on the home;
- Home insurance;
- Monthly allowance for utilities as determined by the BGHD Utility Allowance Schedule;
- Monthly Maintenance Expenses equal to 1% of the purchase price divided into twelve equal amounts. If the family establishes a savings account equal to 1% of the purchase price at the time of closing, Monthly Maintenance Expenses will not be included in allowable monthly expenses.

*Homeownership Ready* - applicant has completed all the eligibility criteria for the Homeownership Voucher Program and is ready to make loan application with a lender.

*Monthly Mortgage Subsidy*—calculated as the lesser of (1) the applicable Payment Standard minus the family’s TTP or (2) the family’s monthly Homeownership Expense minus the family’s TTP. This amount will be paid monthly, on the first day of each month, directly to the mortgage holder as long as the family participates in the Homeownership Program, for a maximum of 180 months as described on page 6, #6.

*Total Tenant Payment (TTP)*—30% of the family’s adjusted monthly gross income.

*Hardship Extension*—If a family fails to complete the homeownership process within the 90 day term of the Intent to Purchase, the family may apply for a Hardship Extension by submitting a written request to the BGHD office at least 7 days prior to the expiration date of the Intent to Purchase. Extensions of up to 30 days may be granted for temporary delays caused by circumstances beyond the control of the family.

*Independent Home Inspection*—The home chosen by the family must be inspected by an Independent Certified Home Inspector in addition to the standard HCV inspection. The family may choose the independent inspector and will be responsible for the cost of the inspection.

*Elderly and/or Disabled*—A family whose head or spouse is age 62 or older or is disabled according to the standard established by HCV policy.

*Welfare Assistance*—includes welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments. These amounts are to be excluded from the calculation of gross income of an exempt family when determining eligibility under the Minimum Gross Income criteria.

*Exempt Family*—Any family whose head or spouse is elderly (62 or older) or disabled; or any family, other than an Elderly/Disabled family, which includes a disabled person if the BGHD determines that Homeownership Assistance is needed as a reasonable accommodation.

*Net Family Assets*—As described under the Housing Choice Voucher Administrative Plan *except* the value of the home currently assisted with homeownership assistance.

The exemption is for a period of ten years from the date of purchase.



## Appendix II

**Scholar House Preference.** By claiming this preference, I certify that I understand and agree to abide by the terms of the preference as outlined below.

### A. Eligibility

1. Family agrees to live in the Scholar House facility, participate in the Scholar House Program, and remain in good standing with the rules of the facility and the program.
2. Qualifying Student (head or co head) is at least 18 years old.
3. Qualifying Student (head or co head) holds a high school diploma or G.E.D. and is a full time student enrolled as a degree/certificate seeking student in an accredited institution of higher education with at least one scholastic year remaining.
4. All adult student household members are Independent Students or otherwise income eligible. (print name of member and check all that apply)
  - a. \_\_\_\_\_ is 24 years of age or older, a veteran, married, or has at least one dependent child.
  - b. \_\_\_\_\_ is 24 years of age or older, a veteran,  married, or has at least one dependent child.
  - c. \_\_\_\_\_ does not meet any of the above criteria. A two part income eligibility test applies; both parts of this test must be true in order for the individual to be eligible for admission to Section 8:
    - i. The student household must be individually income eligible as verified by all household income, and
    - ii. The parents of each student must be income eligible as verified by household income of the parents, jointly and/or individually.
5. Qualifying student (head or co head) is a parent with primary custody of at least one child under the age of 18.
6. Family meets all eligibility criteria for admission to the Voucher Program.

### B. Term of Voucher

1. The Voucher issued pursuant to this preference will remain valid after the family successfully completes the Scholar House Program for as long as the family remains in good standing with the Voucher Program and income eligible.
2. The Voucher issued pursuant to this preference will become void and housing assistance payments will stop if any of the following occur:
  - a. The family fails to comply with the participation criteria of the Scholar House Program as outlined in the *Handbook for Participants*, or
  - b. The family is non-compliant with Voucher Program policies and/or HUD regulations.

\_\_\_\_\_  
Signature of Qualifying Student

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Co Head

\_\_\_\_\_  
Date doc#286350v1

**EQUAL HOUSING OPPORTUNITY**

**EQUAL OPPORTUNITY EMPLOYER**

TDD Number 1-800-648-3056 (for the hearing/speech impaired only)

## Appendix III

### Definitions

- 1937 Act:** the United States Housing Act of 1937.
- Absorption:** in voucher portability, the point at which a receiving BGHD stops billing the initial BGHD for assistance on behalf of a portability family. The receiving BGHD uses funds available under the receiving BGHD’s Consolidated Annual Contributions Contract (ACC). (24 CFR 982.4)
- Accessible units:** units that meet the requirement of accessibility with respect to dwellings. (24 CFR 945.105)
- Accessible:** when used with respect to the design, construction, or alteration of a facility, or a portion of a facility other than an individual dwelling unit, so that the facility or portion of the facility can be approached, entered, and used by individuals with physical handicaps. The phrase “accessible to and usable by” is synonymous with accessible. (24 CFR 8.3)
- Act:** the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) (24 CFR 5.100) Also see 1937 Act.
- ADA:** the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) (24 CFR 5.100)
- Adjusted income:** annual income (as determined by the responsible entity) of the members of the family residing or intending to reside in the dwelling unit, after making the applicable deductions. (24 CFR 5.611)
- Administrative fee:** Fee paid by HUD to the BGHD for administration of the program. (24 CFR 982.4)
- Administrative plan:** the plan that describes BGHD policies for administration of the tenant-based programs. (24 CFR 982.4)
- Admission:** the point when the family becomes a participant in a program. In a tenant-based 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). (24 CFR 982.4)
- Annual contributions contract (ACC):** the written contract between HUD and a BGHD, under which HUD agrees to provide funding for a program under the 1937 Act, and the BGHD agrees to comply with HUD requirements for the program. (24 CFR 5.403) Also see 1937 Act.
- Annual income:** all amounts, monetary or not, which: (1) go to, or are on behalf of, the family head or spouse (even if temporarily absent) or 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) are derived (during the 12-month period) from assets to which any member of the family has access; (4) are not specifically excluded. (24 CFR 5.609)

**Wages:** (1) wages received during most recent 12 months as verified by the computerized wage history; or  
(2) wages received during the most recent 60 days as verified by the most recent 60 days of check stubs; or  
(3) current wages as verified by a completed wage form. Intermittent or sporadic wages are calculated as total wages received over the past 12 months.

**Self Employment:** (1) IRS 1040 less expenses; or (2) wage forms from customers; or (3) self certification from tenant.

**Child Support:** Average child support received during most recent 12 months as verified by Child Support Worker.

**K-Tap/  
Kinship Care:** Current award as verified by a completed K-Tap form.

**Financial**

**Aid:** Total expected to be received during next 12 months as verified by a completed Financial Aid form.

**SS/SSI/SSD:** EIV unless disputed by tenant.

**Veterans  
Benefits**

**Pensions:** Award letter dated within 60 days or other documentation from source.

**Unemployment**

**Benefits:** EIV unless disputed by tenant.

**Miscellaneous**

**Support:** Completed Support Form from source.

**Applicant:** a person or a family that has applied for housing assistance. (24 CFR 5.403)

**Assisted lease**

**(or lease):** a written agreement between an Owner and a Family for the leasing of a unit by the Owner to the Family, with housing assistance payments under a Housing Assistance Payments Contract between the Owner and the BGHD. (24 CFR 882.102)

**Child care expenses:** amounts anticipated to be paid by the family for the care of children under 13 years of age, during the period for which annual income is computed, but only where such care is

necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent that 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. (24 CFR 5.603)

- Child:** a member of the family other than the family head or spouse who is under 18 years of age.
- Citizen:** a citizen or national of the United States. (24 CFR 5.504)
- Community service:** the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self responsibility in the community. Community service is not employment and may not include political activities. (24 CFR 960.601)
- Consent form:** any consent form approved by HUD, to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and State Wage Information Collection Agencies (SWICAs), return information from the Social Security Administration (including wages, net earnings from self-employment, and payments of retirement income), and return information for unearned income from the Internal Revenue Service. Consent forms expire after a certain time and may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits. (24 CFR 5.100)
- Continuously assisted:** an applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to a certificate or voucher program. (24 CFR 982.4) Also see 1937 Act.
- Cooperative (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. (24 CFR 982.4)
- Covered families (for welfare benefit reduction):** 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. (24 CFR 5.615)

- Dating Violence:** includes violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim. The existence of such a relationship shall be determined based on a consideration of the following factors:
- Length of the relationship (at least three months);
  - Type of relationship (romantic/intimate);
  - Frequency of interaction between the persons involved in the relationship (personal interaction at least once a week).
- Day Laborer:** *HOTMA RULE PENDING HUD APPROVAL*  
*a day laborer is defined as an individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future. Income earned as a day laborer is not considered nonrecurring income and must be included, unless specifically excluded in 24 CFR § 5.609(b) (e.g., § 5.609(b)(14), etc.).*
- Department:** the Department of Housing and Urban Development (HUD). (24 CFR 5.100)
- 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. (24 CFR 5.603)
- 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. (24 CFR 5.603)
- Disabled family:** a family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. (24 CFR 5.403)
- Disallowance:** exclusion from annual income. (24 CFR 960.255)
- Domestic Violence:** includes felony or misdemeanor crimes of violence committed by
- a current or former spouse of the victim,
  - a person with whom the victim shares a child in common,
  - a person who is cohabitating with or has cohabitated with the victim as a spouse, or a person similarly situated to a spouse or the victim under the domestic or family violence laws of the Commonwealth of Kentucky, 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 Commonwealth of Kentucky.
- Earned income:** income or earnings included in annual income from wages, tips, salaries, other employee

compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits.

**Economic self-sufficiency program:**

any program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities. (24 CFR 5.603)

**EHPA:**

the Earned Home Payments Account. (24 CFR 982.401)

**Elderly family:**

a family whose head, spouse, co-head or sole member is a person who is at least 62 years of age. (24 CFR 5.403)

**Elderly Person:**

an individual who is at least 62 years of age. (24 CFR 5.100)

**Elevated blood lead level (EBL):**

excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart. (24 CFR 982.401)

**Evidence of citizenship or eligible status:**

the documents, which must be submitted to evidence citizenship or eligible immigration status. (24 CFR 5.504)

**Extremely low income family:**

a family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. (24 CFR 5.603)

**Fair market Rents:** Published by HUD annually for the Bowling Green MSA

**Family rent to owner:**

in the voucher program, the portion of rent to owner paid by the family. (24 CFR 982.4)

**Family share:**

the portion of rent and utilities paid by the family. (24 CFR 982.4)

**Family unit size:**

The appropriate number of bedrooms for a family, as determined by the BGHD under the BGHD subsidy standards. (24 CFR 982.4)

**Family:**

includes all household members except live-in aides and foster children and adults. Use the number of family members to calculate subsidies and payments. Family includes but is not limited to:

- (1) a family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- (2) an elderly family;
- (3) a near-elderly family;
- (4) a disabled family;
- (5) a displaced family;
- (6) the remaining member of a tenant family; and
- (7) a single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family. (24 CFR 5. 403) Family—At application, all persons named on the application will be considered a “family”, regardless of relationship.

*HOTMA RULE PENDING HUD APPROVAL*

*Single person who:*

- *Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age;*
- *Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)); and*
- *Is homeless or is at risk of becoming homeless at age 16 or older.*

At intake, any additions to the household members listed on the application will be subject to the same guidelines as during continued tenancy. The following individuals will be approved for addition to the household:

- spouse;
- absent parent of minor children who live in household;
- biological or adopted minor children of household member who has custody;
- minor children who have been awarded to a member of the household under court ordered custody arrangement.

Any other additions will be considered on a case by case basis.

**Foster Child/Adult:** A minor child under the age of 18 or an adult over the age of 18 who meets the following criteria is considered “foster” and is designated as such for purposes of determination of subsidy level and household income calculation.

- a) Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone (24 CFR 5.609).
- b) Foster children are children that are in the legal guardianship or a 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 (HUD Handbook 4350.3).

BGHD will require the applicant or tenant family to provide documentation to verify that this is an official foster care placement. The income of the 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 Instruction Booklet, P 35).

*HOTMA RULE PENDING HUD APPROVAL*

*A foster adult is defined as a member of the household who is 18 years or older and meets the definition of a foster adult under state law. In general, a foster adult is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.*

*A foster child is defined as a member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.*

*Foster adults/children are not considered family members and must not be included in calculations of income for eligibility and rent determination purposes. However, foster adults/children are considered household members and must be included when determining unit size or subsidy standards based on established policies.*

*Foster adults/children are not family members, income earned by foster adults/children, payments received for the care of foster adults/children, and expenses incurred related to foster adults/children are not considered to be family income or family expenses used in the determination of annual income.*

- Full-time student:** a person who is 18 years or older, other than head or spouse, who is attending school or vocational training on a full-time basis. (24 CFR 5.603)
- FUP:** Family Unification Program. The Housing Choice Voucher FUP is designed to provide housing assistance to households whose lack of adequate housing is a primary cause of the separation or imminent separation of a child or children from their families. FUP accomplishes this by providing funding to public housing agencies that allocate the money to special housing choice vouchers for the families in danger of separation. Recipients of the vouchers must otherwise be eligible for the voucher program. The local public welfare agency must also certify that the lack of adequate housing is a primary reason that the family's child(ren) may be placed in out-of-home care or may be prevented from returning to the family.
- Gross rent:** the sum of contract rent to owner plus any utility allowance. (24 CFR 982.4, 24 CFR 882.102)
- 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). (24 CFR 982.4)
- Guest:** A person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to consent.



- HAP contract:** housing assistance payments contract. (24 CFR 982.4) Also see Housing assistance payment (HAP).
- Head of household:** the adult member of the family who is the head of the household for purposes of determining income eligibility and rent. (24 CFR 5.504) The person who assumes legal and moral responsibility for the household and is listed on the application as Head and is at least 18 years old. A family may not designate a family member as Head of Household solely to qualify as an Elderly or Disabled Household.
- Homeless family:** A homeless family includes:
- (A) Any person or family that lacks a fixed, regular, and adequate nighttime residence; and
  - (B) Any person or family that has a primary nighttime residence that is:
    - (1) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing);
    - (2) An institution that provides a temporary residence for individuals intended to be institutionalized; or
    - (3) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A “homeless family” does not include any person imprisoned or otherwise detained pursuant to an Act of Congress or a State law.
- Homeowner:** a family of which one or more members owns the title to the home. (24 CFR 982.401)
- HOPE VI:** the HOPE VI program was developed as a result of recommendations by National Commission on Severely Distressed Public Housing, which was charged with proposing a National Action Plan to eradicate severely distressed public housing. The Commission recommended revitalization in three general areas: physical improvements, management improvements, and social and community services to address resident needs.
- Household:** includes everyone who lives in the unit, including foster children/adults and live-in aides. Household members are used to determine unit size.
- Housing agency (HA):** a state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. (Also referred to as a Public Housing Agency or BGHD.) (24 CFR 5.100)
- Housing assistance payment (HAP):** the monthly assistance payment by a BGHD, which includes a payment to the owner for rent owed to the owner under the family's lease; and an additional payment to the family if the total assistance payment exceeds the rent to owner. (24 CFR 982.4)

**Housing quality standards (HQS):** the HUD minimum quality standards for assisted housing under the tenant-based programs. (24 CFR 982.4)

**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.

**Income Limits:** Published by HUD annually. The HCV Program admission income limit is the Very Low Limit for rental and the Low Limit for homeownership.

- b. Low Income: at or below 80% of area median
- c. Very Low Income: at or below 50% of area median
- d. Extremely Low Income: at or below 30% of area median

**Initial BGHD:** in Housing Choice Voucher portability, the term refers to both a BGHD that originally selected a family that later decides to move out of the jurisdiction of the selecting BGHD, and a BGHD that absorbed a family that later decides to move out of the jurisdiction of the absorbing BGHD. (24 CFR 982.4)

**IRS:** the Internal Revenue Service. (24 CFR 5.100)

**Independent Student:** Does not have to qualify as a "Full Time Student". Qualifying student is

- 24 years of age or older (will be considered 24 if student will reach 24<sup>th</sup> birth day on or before December 31 of year of admission or recertification); or
- A veteran; or
- Married; or
- Has at least one dependent child.

A student who does not meet the definition of Independent Student may document his/her independence from his/her parents if all of the following are true:

- a. The individual is at least 18 years old;
- b. The individual can document that he/she has established a household separate from his/her parents for at least one year prior to application;
- c. The individual can document that he/she was not claimed as a dependent by his/her parents on the parents' most recent income tax return;
- d. The individual provides certification of the amount of financial assistance that will be provided by his/her parents, even if zero.

If the student documents all of the above, he/she will be afforded the same status as an Independent Student.

**Jurisdiction:** the area in which the BGHD has authority under State and local law to administer the program. (24 CFR 982.4)

**Language Access Plan** The City of Bowling Green Language Access Plan

**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 BGHD. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the BGHD. (24 CFR 982.4)

**Limited English Proficiency (LEP):** Those persons for whom English is not their primary language and who have indicated that they speak and/or understand English “Not Well” or “Not at All”.

**Live-in aide:** 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)

**Low income family:** a family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median income for the area on the basis of HUD's findings that such variations are necessary because of unusually high or low family incomes. (24 CFR 5.603)

**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 Housing Quality Standards (HQS). (24 CFR 982.4)

**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. (24 CFR 982.4)

**Medical expenses:** Medical expenses, including medical insurance premiums, anticipated during the period for which annual income is computed, and not covered by insurance. (24 CFR 5.603)

- Minimal Income:** Annual gross household income from all sources (included, excluded and disregarded income) except food stamps of less than \$1200.
- Minority:** means any individual who is included within any one of the following racial and ethnic categories: (1) American Indian or Alaskan Native--a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition; (2) Asian or Pacific Islander--a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands; (3) African-American--a person having origins in any of the black racial groups of Africa; and (4) Hispanic-- a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race. (24 CFR 81.2)
- Mixed family:** a family whose members include those with citizenship or eligible immigration status, as well as those without citizenship or eligible immigration status. (24 CFR 5.504)
- Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals:** rehabilitation involving a minimum expenditure of \$3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade to decent, safe, and sanitary conditions to comply with the Housing Quality Standards (HQS) or other standards approved by HUD, from a condition below those standards (improvements being of a modest nature and other than routine maintenance). (24 CFR 882.802)
- Moderate rehabilitation:** rehabilitation involving a minimum expenditure of \$1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade to decent, safe and sanitary conditions to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance) or to repair or replace major building systems/components in danger of failure. (24 CFR 882.102)
- Monthly adjusted income:** one twelfth of adjusted annual income. (24 CFR 5.603)
- Monthly income:** one twelfth of annual income. (24 CFR 5.603)
- Mutual Help Occupancy Agreement (MHOA):** a lease with option to purchase contract between an IHA and a homebuyer under the 1937 Act. (24 CFR 1000.302)
- MSA:** a metropolitan statistical area. (24 CFR 5.100)

- MTCS:** means Multifamily Tenant Characteristics System. It was the forerunner of the PIC system.
- 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. (24 CFR 5.504)
- 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. (24 CFR 5.603)
- Noncitizen:** a person who is neither a citizen nor national of the United States. (24 CFR 5.504)
- Non-elderly disabled person:** a person with a disability who is less than 62 years of age. (24 CFR 945.105)
- Officer:** a professional police officer or other professional security provider. Police officers and other security personnel are considered professional if they are employed full time, i.e., not less than 35 hours per week, by a governmental unit or a private employer and compensated expressly for providing police or security services. (24 CFR 960.503)
- OMB:** the Office of Management and Budget. (24 CFR 5.100)
- Other Person Under the Tenant's Control:** A person, although not staying as a guest in the unit, is or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to invite them.
- Over-income family:** a family that is not a low income family. (24 CFR 960.102) Also see low income family.
- Owner:** the person or entity that leases an assisted dwelling unit to an eligible family and includes, when applicable, a mortgagee. (24 CFR 5.100). The owner of the property is the owner of record in the PVA records and HAP is paid to that individual, unless owner agrees to have the payment sent to their management company.
- Participant (participant family):** A family that has been admitted to the BGHD 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 BGHD for the family (first day of initial lease term). (24 CFR 982.4)
- Participant:** for Section 8 of the 1937 Act, a family receiving rental assistance under the program. For the public housing program a family or individual that is assisted under the program. (24

CFR 5.100)

**Payment standard:** 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)

**Person with disabilities:**

a person who has a disability, as defined in:

(A) 42 U.S.C. 423 and is determined to have a physical, mental, or emotional impairment that is expected to:

(1) be of long-continued and indefinite duration,

(2) substantially impede his or her ability to live independently, and

(3) be of such a nature that the ability to live independently could be improved by more suitable housing conditions, or

(B) has a developmental disability as defined in 42 U.S.C. 6001. This definition includes persons who have the disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. For purposes of qualifying for low income housing, it does not include a person whose disability is based solely on any drug or alcohol dependence; and means "individual with handicaps". (24 CFR 5.403). For purposes of Reasonable Accommodation, a handicap is defined as a physical or mental impairment which substantially limits one or more of such person's major life activities, a record of such impairment, or being regarded as having such an impairment.

**BGHD:** a Housing Authority--either a Public Housing Agency (BGHD) or an Indian Housing Authority (IHA). (24 CFR 984.103)

**PHRA:** stands for Public Housing Reform Act.

**PIC:** stands for Public and Indian housing information center. PIC was designed to facilitate a more timely and accurate exchange of data between BGHDs and local HUD offices by allowing the BGHDs to submit information to HUD over the Internet.

**Police officer:** a person employed on a full-time basis as a duly licensed professional police officer by a Federal, State or local government or by any agency of these governments. (24 CFR 5.661)

**Portability:** renting a dwelling unit with tenant-based voucher assistance outside the jurisdiction of the initial BGHD. (24 CFR 982.4)

**Previously unemployed:**

a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage. (24 CFR 960.255)

**Private space:** in shared housing: The portion of a contract unit that is for the exclusive use of an

assisted family. (24 CFR 982.4)

**Project-based assistance:**

The subsidy is attached to the unit.

**Project owner:**

The person or entity that owns the housing project containing the assisted dwelling unit. (24 CFR 5.504)

**Public Housing Agency (BGHD):**

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.

**Public Housing programs:**

the public housing programs administered by the Assistant Secretary for Public and Indian Housing under title I of the United States Housing Act of 1937. (24 CFR 5.306)

**Public housing:**

housing assisted under the 1937 Act, other than under HCV Public housing includes dwelling units in a mixed finance project that are assisted by a BGHD with capital or operating assistance. (24 CFR 5.100)

**Reasonable rent:**

a rent to owner that is not more than rent charged for comparable units in the private unassisted market and for comparable unassisted units in the premises.

**Receiving BGHD:**

in voucher portability, a BGHD that receives a family selected for participation in the tenant-based program of another BGHD. The receiving BGHD issues a voucher and provides program assistance to the family. (24 CFR 982.4)

**Rent to owner:**

the total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for. (24 CFR 982.4)

**ROSS:**

Resident Opportunities and Self Sufficiency Program links services to Public and Indian housing residents by providing grants for supportive services, resident empowerment activities and activities to assist residents in becoming economically self-sufficient.

**Seasonal worker:**

*A seasonal worker is defined as an individual who is:*

- 1) Hired into a short-term position (e.g., for which the customary employment period for the position is 6 months or fewer); and*
- 2) The employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the employer or industry. Some examples of seasonal work include employment limited to holidays or agricultural seasons. Seasonal work may include but is not limited to employment as a lifeguard, ballpark vendor, or snowplow driver. Income earned as a seasonal worker is*

*not considered nonrecurring income and must be included unless specifically excluded in 24 CFR § 5.609(b) (e.g., § 5.609(b)(14), etc.).*

- Section 8:** section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f). (24 CFR 5.100)
- Service provider:** a person or organization qualified and experienced in the provision of supportive services, and that is in compliance with any licensing requirements imposed by state or local law for the type of service or services to be provided. The service provider may provide the service on either a for-profit or not-for-profit basis. (24 CFR 945.105)
- Service requirement:** the obligation of each adult resident, other than an exempt individual, to perform community service or participate in an economic-self sufficiency program required in accordance with Sec. 960.603. (24 CFR 960.601)
- Shared housing:** a unit occupied by two or more families where at least one of the families is assisted. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (24 CFR 982.4)
- Single person:** a person who lives alone or intends to live alone, who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family. (24 CFR 945.105)
- 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. (24 CFR 982.4)
- 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. (24 CFR 5.100)
- Special admission:** admission of an applicant that is not on the BGHD waiting list or without considering the applicant's waiting list position. (24 CFR 982.203)
- Specified welfare benefit reduction:** 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. (24 CFR 5.615)
- SSA:** the Social Security Administration. (24 CFR 5.100)



<b>SSI:</b>	means Supplemental Security Income.
<b>Stalking:</b>	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 injury to, or to cause substantial emotional harm to that person, a member of the immediate family, or the spouse or intimate partner
<b>Subsidy standards:</b>	standards established by a BGHD to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. (24 CFR 982.4)
<b>Suspension:</b>	stopping the on the term of a family's voucher, for such period as determined by the BGHD, from the time when the family submits a request for BGHD approval of the tenancy, until the time when the BGHD approves or denies the request. (24 CFR 982.4)
<b>Tenant rent:</b>	the amount payable monthly by the family as rent to the unit owner (r or BGHD in public housing). (This term is not used in the voucher program.) (24 CFR 5.603)
<b>Tenant:</b>	an individual or a family renting an assisted dwelling unit. (24 CFR 5.504).The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit. (24 CFR 982.4)
<b>TIN:</b>	Tax Identification Number.
<b>TTP—Total Tenant Payment:</b>	calculated as the greater of (30% of adjusted gross monthly income or 10% of gross monthly income).
<b>Unit size or size of unit:</b>	the number of bedrooms in a dwelling unit. (24 CFR 984.103)
<b>USCIS:</b>	The Bureau of U.S. Citizenship and Immigration Services, formerly the Immigration and Naturalization Service (INS). (24 CFR 5.504)
<b>Utility allowance:</b>	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, utility allowance is an amount equal to the estimate made or approved by a BGHD 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. (24 CFR 5.603)
<b>Utility reimbursement (vouchers):</b>	in the voucher program, the portion of the housing assistance payment which exceeds the amount of the rent to owner. (24 CFR 982.4)

- Very low income family:** a family whose annual income does not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. (24 CFR 5.603)
- Voucher (rental voucher):** a document issued by a BGHD to a family selected for admission to the voucher program.  
This document describes the program and the procedures for BGHD approval of a unit selected by the family. The voucher also states obligations of the family under the program. (24 CFR 982.4)
- Voucher holder:** a family holding a voucher with an unexpired term (search time). (24 CFR 982.4)
- Waiting list admission:** an admission from the BGHD waiting list. (24 CFR 982.4)
- Welfare assistance:** income assistance from Federal or State welfare programs, and includes assistance provided under the Temporary Assistance to Needy Families (TANF) Program, Supplemental Security Income (SSI) that is subject to an income eligibility test; Medicaid, food stamps, general assistance, or other assistance provided under a Federal or State program directed to meeting general living expenses, such as food, health care, child care, but does not include assistance solely directed to meeting housing expenses, and does not include transitional welfare assistance provided to JOBS participants. (24 CFR 984.103). Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments. (24 CFR 5.603)
- Welfare-to-work (WTW) families:** families assisted by a BGHD with voucher funding awarded to the BGHD under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose). (24 CFR 982.4)

## Appendix IV

### FULL OR PART TIME STUDENT CHART

Type of Student	Financial Aid**	Wages***	Support	Other
1. Full or PTS under 24* w/ or w/o dependent <u>living separately</u> from parents or guardian OR Full or PTS 24 or older w/o dependent <u>living separately</u> from parents or guardian	Full amount of loans is entered and fully excluded. Grants <u>in excess of tuition</u> are entered and counted as income.	All wages are entered as income and fully counted.	<u>If non-independent student</u> – parents <u>must</u> complete support verification form even if \$0. All support received is entered and counted as income. See “Admission of Students” to verify continuance of eligibility.  <u>If independent student</u> - parental support from is not mandatory.	Any other household income is entered and counted as income.
2. Full or PTS 24 or older w/ dependent <u>living separately</u> from parents or guardian	Full amount of loans and grants is entered and fully excluded.	All wages are entered and counted as income.		Any other household income is entered and counted as income.
3. FTS 18 or older <u>living with parents</u> . Relationship “E”	Full amount of loans and grants is entered and fully excluded.	All wages are entered, but earnings in excess of \$480 are excluded.		Any other income received by student is entered and counted as income.
4. Part-time student 18 or older <u>living with parents</u> . Relationship “A”	Full amount of loans and grants is entered and fully excluded.	All wages are entered and 100% counted		Any other income received by student is entered and counted as income.

\*“Under 24” means that the student will not reach his/her 24<sup>th</sup> birthday by December 31 of the calendar year for which financial aid is received.

\*\*Financial Aid means: government grants, loans, scholarships, private grants, etc. Any portion of an athletic scholarship designated for housing is considered income and is not excluded.

\*\*\*Title IV Wages are treated as financial aid and added on the top of Grants.

## **RECERTIFICATION OF STUDENTS**

The same procedure as outlined for bellow (Admission of Students) must be followed at recertification in order to verify continued eligibility.

### **ADMISSION OF STUDENTS (NON – INDEPENDENT STUDENTS)**

For admission eligibility and financial aid exclusion, HUD does not differentiate between FTS and PTS for purposes of this rule (admission eligibility and financial aid as income).

No assistance shall be provided to any individual who:

- Is enrolled as a student at an institution of higher education; and
  - Is under 24 years of age (will be considered to be 24 years of age if student will reach 24<sup>th</sup> birthday on or before December 31 of the year under consideration); or
  - Is not a veteran of the U. S. military; or
  - Is unmarried; or
  - Does not have a dependent child; or
  - Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance.

A student who meets one or more of the above criteria **OR** the Financial Aid Form completed by the educational institution identifies the student as an Independent Student and eligible for admission as long as he/she is otherwise eligible (see chart).

A student under the age of 24 living apart from parents who is not a veteran, is unmarried or does not have a dependent child in the household may be considered an Independent Student if a two part income eligibility test is true. Both parts of this test must be true in order for the individual to be eligible for admission to the HCV program:

1. The student must be individually income eligible as verified by all household income received by all members of the student's household; and
2. The parents of the student must be income eligible as verified by household income of parents. This is calculated as only the income of the parents' household (individually or jointly: if parents live together, calculate income of joint household; if parents live separately, calculate each individual household income and add together; if one parent is unknown, deceased or cannot be located, calculate income of available parent household only after obtaining certification from student as to the circumstances). Use tax returns if available; if tax returns are not available, use the Parental Income Verification Form. The income limit to use in determining parental eligibility is the Low Income Limit for the area in which they live.

Appendix V

**FAMILY OBLIGATIONS UNDER THE HOUSING CHOICE VOUCHER PROGRAM**

***Violation of any of these rules is grounds for termination of assistance or other punitive action and/or a three year period of ineligibility.***

1. The assisted household must supply all information determined by the BGHD or HUD to be necessary for the administration of the program.
2. The assisted household must keep all appointments scheduled with the BGHD office unless canceled or rescheduled in advance.
3. The assisted household must allow the BGHD to inspect the unit at reasonable times and after reasonable notice. The assisted household is responsible for any damages to the unit during tenancy beyond normal wear and tear.
4. The assisted household must keep the unit safe, decent and sanitary at all times.
5. The assisted household is responsible to provide any utilities and/or appliances not provided by the owner, as stated in the lease, and to maintain service at all times. Lack of utility service and/or appliances would make the unit substandard.
6. The assisted unit must be used by the family as its primary residence. The assisted household must promptly notify the BGHD of absences from the unit expected to be longer than 20 days. The sole adult household member must not be absent from the unit for more than 30 days, unless previously approved by the BGHD.
7. The assisted household may not commit any violation of the owner's lease and must pay Tenant's Rent as determined by the BGHD, on the first day of each month unless otherwise stipulated in the lease.
8. The assisted household must not be court evicted from the unit for the reason(s) that would also violate any of the program rules or the owner's lease. The family must promptly give the BGHD a copy of any owner issued eviction notice and related documents.
9. The assisted household must notify the BGHD and the owner prior to moving or terminating the lease by submitting the 30 Day Notice at least 30 days prior to the anticipated move date. The lease will terminate on the last day of the month following the 30 day notice period. The assisted household may not move during the lease term and may move only once during any 12 month period.
10. The assisted household must promptly report any change in household composition (pursuant to #12). Before allowing someone to move in to the assisted unit, the assisted household must receive BGHD's approval.
11. The address of the assisted unit may not be used by anyone other than those persons listed on the lease. Use of the address for receipt of mail, or any other reason, by another person may be considered evidence that the individual is residing in the unit without authorization.
12. Any guest who remains in the unit over 24 hours must be reported to the BGHD within three (3) days of arrival. If reported within 3 days of arrival, an adult guest may remain in the unit for up to 30 days during any 12 month period and a minor child may remain in the unit for up to 90 days in a 12 month period. Guests who are not reported to the BGHD within 3 days of arrival will be assumed to be residing in the unit without the BGHD's approval. Court custody of a minor child must be granted to a household member in order for the child to remain in the assisted unit over 90 days.

13. Any household member 18 years old or older who is enrolled as a full time student must report any change in his/her student status within 14 days.
14. The assisted household must report all increases in household income within 14 days of onset. Failure to report required changes in income within the 14 day grace period will result a repayment and/or termination from the program. Failure to report income increases as required will constitute possible fraud on the part of the family.
15. The assisted household must make monthly payments on executed Repayment Agreements.
16. The assisted household cannot have more than 3 (4 or more) unreported, late reported, or under-reported incomes that resulted in more than 3 (4 or more) repayments during the most recent 36 months period. These actions would be considered as a repetitive violation of family obligations and possible fraud.
17. The assisted household must not engage in threaten, abusive or violent behavior toward BGHD personnel.
18. The assisted household must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
19. No member of the assisted household, guest, or person in the unit with express or implied permission of the assisted household may engage in alcohol abuse which interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
20. No member of the assisted household, guest or person in the unit with express or implied permission of the assisted household may engage in drug related criminal activity or violent criminal activity on the premises of the assisted unit.
21. No member of the assisted household may engage in drug related criminal activity or violent criminal activity - If there has been an arrest but no conviction in the case of drug-related or violent criminal activity, termination may be delayed until the BGHD is able to determine if there will be a conviction. However, if credible or a "preponderance of the evidence" is found to exist, that a family member has engaged in drug-related or violent criminal activity, the BGHD may terminate assistance based on those facts.
22. The assisted household must not own or have any interest in the unit. The assisted unit must not be owned by a relative as described in the Request for Tenancy. The unit must not be sub-let nor the lease transferred to another person.
23. An assisted household must not receive HCV assistance while receiving any other housing subsidy under any federal, state, or local housing assistance program.

**WARNING! You can be fined up to \$500.00 or imprisoned up to five (5) years or both. Be sure to give correct information. Kentucky Revised Statute 514.040 Theft by Deception makes it a crime to knowingly give false information to get a lower rent, or to receive aid or benefits under any state or federally funded assistance program. I, the undersigned, have read the above statement or it has been read to me, and that I understand and agree to abide by the Family Obligations. I understand that violation of any of the above items is grounds for termination from the HCV Program and loss of eligibility for Rental Assistance/Mortgage Assistance and that I am entitled to an Informal Hearing to settle disputes with the Housing Choice Voucher office.**

\_\_\_\_\_  
Signature of Head of Household

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Spouse or Other Adult Household Member

\_\_\_\_\_  
Date