



HOUSING AUTHORITY OF THE CITY OF ERIE

Section 8 New Construction Management Plan

Better Housing

STATEMENT OF POLICIES GOVERNING
ADMISSIONS AND CONTINUED OCCUPANCY

December 14, 2020



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HOUSING AUTHORITY OF THE CITY OF ERIE

SECTION 8 NEW CONSTRUCTION MANAGEMENT PLAN **STATEMENT OF POLICIES GOVERNING ADMISSION AND CONTINUED OCCUPANCY**

Effective Date _____

Board Approved _____

HUD Submittal _____

STATEMENT OF POLICIES GOVERNING ADMISSION TO AND CONTINUED OCCUPANCY
OF HUD HOUSING OWNED AND OPERATED BY
THE HOUSING AUTHORITY OF THE CITY OF ERIE

1. PROGRAM APPROACH AND OBJECTIVES

A. PURPOSE OF THE ADMISSIONS AND OCCUPANCY POLICY

This Section 8 New Construction Management Plan (“Plan”) establishes the Housing Authority of the City of Erie’s (“HACE” or “Authority”) discretionary policies and procedures that will be used in the administration of the Section 8 New Construction Program in accordance with U. S. Department of Housing and Urban Development (“HUD”) requirements. The approach to program functions contained in this Plan are applicable to admission and continued occupancy in Better Housing Apartments (52 unit development) as part of the Section 8 New Construction program.

This Section 8 New Construction Management Plan complies with the provisions found in applicable sections of the Code of Federal Regulations, HUD Notices and Handbooks and Farmers Home Administration publications.

Additional requirements can be found in HACE Public Housing Agency Plan. Pet ownership by families residing in properties owned by the Authority is regulated by the HACE’s Pet Policy.

B. OVERALL PROGRAM OBJECTIVES

The overall objectives for the Housing Authority of the City of Erie Section 8 New Construction program are intended to achieve the following:

- Provide decent, safe and sanitary housing at affordable cost to v e r y low- income families; and
- Assure compliance with HUD regulations, Equal Housing Opportunity requirements, and HACE's policies.

C. MARKETING/OUTREACH

HACE will conduct outreach in an effort to obtain and maintain a well-balanced application pool. Outreach efforts will take into consideration the level of vacancy at Better Housing Apartments, unit availability through turnover, and waiting list characteristics. HACE will periodically assess these factors in order to determine the need and scope of the marketing effort.

HACE will continue to publicize and disseminate information concerning the availability of housing assistance for very low-income families. However, when the waiting list indicates a need for additional applicants, HACE will make known, through publication in newspapers of general circulation, minority media, and all other suitable means, the availability of housing assistance for low-income families, unless application taking has been suspended according HUD regulations.

Marketing efforts will be designed to attract applicants from appropriate segments of the very-low, and extremely-low-income populations. HACE will use its marketing program to achieve a more representative income mix of very low and extremely low-income families among those on the waiting list at Better Housing Apartments as required by federal law.

D. UNIT INSPECTIONS

In accordance with the lease, unit inspections are required at three times: prior to move-in, upon move-out, and at least once annually. Inspections are conducted to assure compliance with applicable HUD standards and will be administered in accordance with the following:

1. Pre-Occupancy Inspections (Move-in):
 - a. HACE and the tenant or his/her representative will inspect the dwelling unit prior to occupancy by the tenant. HACE will provide the tenant with a copy of the inspection form showing the condition of the premises, interior and exterior as applicable, and any equipment provided with the unit.
 - b. The inspection form shall be signed by a HACE staff member and tenant and a copy of the form will be retained in the tenant's record. Any deficiencies noted on the inspection form will be corrected by HACE before the tenant moves in, and at no charge to the tenant.
2. Annual Inspections:
 - a. HACE will inspect all units at least annually. More frequent inspections will be conducted as required by unit conditions. Tenants will be notified as to the date and time of inspection in accordance with the lease.
 - b. In addition to the HUD-required standards, annual inspections may evaluate: housekeeping conditions against lease standards, safety conditions, tenant care of the dwelling unit, and compliance with other obligations under the lease. As such, the tenant will be informed of deficiencies and notified of any action required by the tenant or HACE to correct deficiencies

- c. Where tenant action is required, reinsertions will be conducted as required.

3. Termination Inspection (Move-out):

- a. HACE will inspect the unit at the time the tenant vacates the unit and provide the tenant with a written statement of the charges, if any, for which the tenant is responsible. The tenant and/or a representative may join in such inspection, unless the tenant vacates without notice to HACE.

E. NOTIFICATION OF CHANGES

Schedules of special charges for services, repairs, and rules and regulations which are required to be incorporated in the lease by reference shall be publicly posted in a conspicuous manner in the management office, and shall be furnished to applicants and tenants on request. Such schedules, rules and regulations may be modified from time to time, provided that at least thirty days' written notice is given to each affected tenant setting forth the proposed modification, the reasons therefore, and providing the tenant an opportunity to present written comments which shall be taken into consideration prior to the proposed modifications becoming effective. A copy of such notice shall be:

- 1. Delivered directly or sent by first class mail to each tenant; or
- 2. Posted in at least three conspicuous places within each community in which the affected dwelling units are located, as well as in a conspicuous place at the management office, if any, or if none, a similar central business location within the community.

F. EQUAL OPPORTUNITY REQUIREMENTS

HACE complies with all applicable federal, state and local nondiscrimination and equal opportunity laws including the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; Executive Order 11063; Section 504 of the Rehabilitation Act of 1973; Title II of the Americans with Disabilities Act; and HUD's Equal Access Rule Notice H 2015-2016.

The Section 8 New Construction program requires compliance with all equal opportunity requirements imposed by contract or federal law, including the authorities cited at 24 CFR §5.105(a) and Title II of the Americans with Disabilities Act, 42 U.S.C. 12101, et. seq.

HACE prohibits discrimination based on race, color, religion, sex, age, national origin, disability, or familial status and provides housing without regard to perceived sexual orientation, gender identity, or marital status.

HACE's administrative office is accessible to persons with physical disabilities. The main telephone number of HACE is (814) 452-2425. Hearing impaired individuals may contact the Authority at the TTD/TDY telephone number of (814) 455-1797.

Special Needs Procedures:

HACE will make every effort to reasonably accommodate persons with documented special needs as mandated by the Americans with Disabilities Act, 42 U.S.C. 12101 et seq. These efforts will be made for all persons with which HACE conducts business including both applicants and tenants*. Additional actions which may be taken are:

1. Additional telephone calls to accommodate the special needs.
2. The use of a TTD/TDY telephone number.
3. The use of sign language, if required.
4. Scheduling additional appointments.

Should a second appointment be scheduled with consent of the family and it is not attended by family or adult representative without cancellation, HACE shall consider such action as a missed appointment, subject to the requirements of applicant or tenant appointments stated in this Plan.

5. Contacting a family member, case worker or other person who assists the family.
6. Any other necessary means which will reasonably accommodate the individual.
7. Home visits.

If at any time a family is uncooperative with HACE's efforts with respect to reasonable accommodation, HACE will take action in accordance with the regular operating policies and procedures of HACE including those contained within this Plan.

*Documented Special Need - a signed statement from a qualified professional or social service agency deemed acceptable to HACE indicating a special need.

2. ELIGIBILITY AND ADMISSION

A. ELIGIBILITY FOR ADMISSION

1. Eligibility Criteria

To be eligible for admission for participation, an applicant must meet the criteria for eligibility determination as established by HUD, as well as any additional criteria established by HACE.

HUD has established the following factors for eligibility:

- Family Composition
- Income Limits
- Citizenship and eligible non-citizen status
- Admission criteria relevant to prior history in any HUD-assisted programs
- Criminal History

2. Factors for Determining Eligibility

The family's eligibility for placement on the waiting list will be based on the following factors and will not be verified until selection from the applicant pool for housing assistance is made. A family is defined as a group of persons:

Regularly living together, related by blood, marriage, adoption, guardianship, evidencing a stable relationship, operation of law; or an elderly family, single person, or a displaced person.

Independent Students:

Eligibility shall not be provided to any individual who is enrolled as either a part-time or full-time student at an institution of higher education or for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential unless one or more of the following exemptions exists:

- Is 24 years of age or older;
- Is married;
- Is a veteran of the United States Military;
- Has a dependent child;
- Is a person with disabilities, as such term defined in 3(b)(3)(E) of the United States housing Act of 1937 (42 U. S. C. 1437a(b)(3)(E)) and was receiving Section 8 assistance as of November 30, 2005;
- Is living with his/her parents who are receiving Section 8 assistance;
- Is individually eligible to receive Section 8 assistance and has parents (the

parents individually or jointly) are income eligible to receive Section 8 assistance;

For a student to be eligible independent of his/her parents, where the income of the parent is not relevant, the student must demonstrate the absence of, or his/her independence from parents. Management will use the following in determining a student's independence from parents: The student must meet all (1-4 below) of the following criteria to be eligible for Section 8 assistance. The student must:

1. Be at least 18 years of age or older (legal contract age under Pennsylvania State Law).
2. Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy, OR, meet the U. S. Department of Education's definition of an independent student. In the Federal Register (Vol. 81, No. 183) published September 21, 2016, HUD reclassified the definition of independent student to include vulnerable youth and to align with the U. S. Department of Education's definition as follows:
 - a. The individual is 24 years of age or older by December 31 of the award year;
 - b. The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time the individual was 13 years of age or older;
 - c. The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the State of legal residence;
 - d. The individual is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
 - e. The individual is a graduate or professional student;
 - f. The individual is a married individual;
 - g. The individual has legal dependents other than a spouse;
 - h. The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U. S. C. 11431 et seq.), or as unaccompanied, at risk of homelessness, and self-supporting by selected agencies or personnel as noted in Federal Register/Vol. 81, No. 183 / September 21, 2016;
 - i. The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances;
3. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations;
4. Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

In addition to move-in, management will also determine a student's eligibility for Section 8 assistance at annual recertification, initial certification, and at the time of interim recertification if one of the family composition changes reported is that a household member is enrolled as a student.

Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition, is included in the annual income, except if the student is over the age of 23 with dependent children or if the student is living with his/her parents who are receiving Section 8 assistance.

If an eligible student is a member of an existing household receiving Section 8 assistance, the assistance for the household will not be prorated, but will be terminated.

Live-in Aide:

In addition to family members, a live-in aide may be considered to be part of the household for the care and well being of one or more elderly persons or persons with disabilities in accordance with 24 CFR §5.403. At any time HACE will refuse to approve a person as a live-in aide, or withdraw such approval, if:

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity;
- Adequate sleeping space, as defined by the Subsidy Standards stated in chapter 3 of this Plan, is not available for the live-in aide.

HACE will require that the live-in aide sign a certification as to his/her intent in providing necessary supportive services for the family member(s).

3. Income Limits

Applicants must qualify for admission to the Section 8 New Construction program based upon total annual income for all members of the household family. Eligibility is determined using the following income categories:

a. Extremely-low-income families (Income Targeting requirement)

Families whose incomes, at the time of admission do not exceed 30% of the area median income. Forty percent (40%) of all new admissions to the Section 8 New Construction program will be in this category.

b. Very-low-income families

Families whose incomes, at the time of admission, do not exceed the very-low-income limits established by HUD, but are greater than the extremely-low-income limit.

B. WAITING LIST MANAGEMENT

1. Waiting List Maintenance

The Section 8 New Construction program of HACE maintains a separate waiting list from its Section 8 Housing Choice Voucher and Low-Income Public Housing programs. However, applicants can choose to apply for any or all HACE programs. Each application is positioned on the waiting list based upon information submitted by the applicant, date and time of application, unit size and development as defined in this Plan.

Applicants must inform HACE of any changes of information listed on the application (e.g., address, income, or family composition). Failure to notify HACE of such changes may result in the applicant's removal from the waiting list. At minimum, the waiting list will contain the following applicant information:

- a. Applicant name;
- b. Family unit size (based upon occupancy standards);
- c. Date and time of application
- d. Indicator for extremely low income applicants.

2. Opening and Closing Waiting List

In order to maintain a balanced application pool, HACE, at its discretion, may restrict application taking and close waiting lists in whole or in part. HACE will also purge the waiting list by removing names of those who are no longer interested in or no longer qualify for housing. If HACE has too many applications, (if the waiting list is expected to exceed one year) it may elect to: (a) close the waiting list completely; (b) close the list during certain times of the year; or (c) restrict intake by size and type of dwelling unit.

Decisions about the waiting list will be based on the number of applications available for a particular size and type of unit; and the ability of HACE to house an applicant in an appropriate unit within a reasonable period of time. Closing the waiting list, restricting intake, or opening the waiting list will be publicly announced.

During the period when the waiting list is closed, HACE will not maintain a list of individuals who wish to be notified when the waiting list is reopened.

3. Removal of Applicants from the Waiting List

HACE will not remove an applicant's name from the waiting list unless:

- a. The applicant requests in writing that his/her name be removed;
- b. The applicant has failed to advise HACE of his/her continued interest in Better Housing Apartments. HACE requires applicants to notify the Authority annually of any change in family status or change in mailing address;
- c. HACE has made reasonable efforts to contact the applicant to determine continued interest but has been unsuccessful. Correspondence mailed to the latest address will constitute documentation of reasonable effort to contact the applicant;
- d. H A C E notified the applicant of its intention to remove the applicant's name because the applicant no longer qualifies for the Better Housing Apartments Section 8 New Construction program;
- e. HACE has made reasonable efforts to contact the applicant to (i) schedule interviews necessary to complete the application process; or (ii) obtain information necessary to process the application, and the applicant has failed to respond;

- f. An applicant fails to keep a scheduled interview or fails to respond to HACE concerning information that is necessary to process the application. HACE will notify the applicant in writing that he/she has fourteen (14) calendar days within which to reschedule the interview or provide the needed information. If the applicant fails to respond within the prescribed time the application will be withdrawn from the waiting list; or
- g. The applicant fails to pay an outstanding balance owed to HACE or any other subsidized program within the time specified.

If an applicant's failure to respond to a request for information or update was caused by his/her disability, HACE will provide reasonable accommodation to give him/her an opportunity to respond.

C. PROCESSING APPLICATIONS FOR ADMISSION

1. Applications

The policy of HACE is to treat all applicants in a fair and consistent manner. All families who are interested in applying for any of HACE's programs must complete an application when the waiting list is open. HACE maintains a site-based waiting list for its Section 8 New Construction development, the Better Housing Apartments. HACE will make special accommodations to assist applicants who have a physical impairment to complete an application.

- a. An application consists of:
 - (1) Authority application form;
 - (2) Two forms of identification,
 - (3) Release of information Form HUD 9887/9887a and HACE's authorization for the release of information signed by head-of-household, spouse and all members of household 18 years and over;
 - (4) Completed asset form by head-of-household and by other members of household who may have assets of any form or amount;
 - (5) Source of income for all members of household;
 - (6) Check of criminal records;
 - (7) Prior landlord reference;
 - (8) Credit report;
 - (9) Verification of disability status, if claimed;
 - (10) Proof of citizenship or eligible immigration status pursuant to HUD regulations; and
 - (11) Other information HACE may require for eligibility.
- b. An application must be completed and signed by the head of the household, spouse and all other adults.

Any family who has failed to pay an outstanding balance consisting of uncollected rent and/or miscellaneous charges owed to H A C E or any other federally funded housing program will be issued an application but not placed on the waiting list until the outstanding balance is paid.

2. Requirements to Apply

To participate in the Section 8 New Construction program, families must make application to HACE at the application office, 606 Holland Street, Erie, PA 16501, using the forms prescribed by HACE and HUD.

Applicants will be required to provide the following information:

- Annual Income
- Asset Information
- Family Composition
- Medical Expenses
- Verification of citizenship and/or eligible non-citizen status
- Verification of disability status
- Other information HACE may require to determine eligibility

Applicants who submit applications or related documents that are incomplete and/or unsigned will be considered to be ineligible for placement on the waiting list.

Applicants must inform HACE of any changes to information listed on the application (e.g., address, income, family composition). Failure to notify the HACE of such changes may result in the applicant's removal from the waiting list.

3. Requirement to Attend Scheduled Meeting

It is the responsibility of the applicant to attend the scheduled application interview. If the applicant cannot attend on the date scheduled by HACE, the applicant must notify HACE to reschedule the interview in advance and in accordance with HACE's notice requirements. If the applicant fails to reschedule or misses two (2) scheduled meetings, HACE has the right to reject the application and remove the family from the waiting list. Applicants will be notified in writing if the application is rejected for this reason. The applicant may file an appeal in accordance with HACE's Informal Hearing Procedures. If the applicant is removed from the waiting list because the applicant's failure to respond was due to a verified disability, HACE will reinstate the applicant to his/her former position on the waiting list.

All adult members must sign the Release of Information Form in order for the application to be considered complete.

If HACE determines at the interview that more information is needed, the applicant will be so advised, and the applicant will be required to provide the requested information within fourteen (14) calendar days.

If HACE does not receive a response to this request within the specified time, HACE will mail an ineligibility letter, and the applicant will be removed from the waiting list. The applicant may file an appeal in accordance with HACE Informal Hearing Procedures.

4. Notification of Eligibility

Upon HACE's receipt of the initial application and the information contained therein, the applicant will be sent one of the following letters within thirty (30) calendar days:

- a. Applicants for whom HACE has verified eligibility will be sent correspondence indicating "You appear to qualify for housing and have been placed on the waiting list."
- b. Applicants who do not qualify will be sent a letter indicating "You" do not meet the eligibility criteria for admission at this time. Such applicants will be given (14) days to respond in writing and request an Informal Hearing to discuss the rejection of their claims. The Informal Hearing will be conducted in accordance with Handbook 4250.3.
- c. In the event the family is ineligible due to non-citizen status, HACE will notify the family in writing of ineligibility. The letter will inform them of their right to an Immigration and Naturalization Service (INS) appeal and/or PHA Informal Hearing.

3. VERIFICATION PROCESS

A. ITEMS REQUIRING VERIFICATION

- ALL INCOME
- CURRENT ASSETS
- FAMILY COMPOSITION
- TOTAL MEDICAL EXPENSES
- HANDICAPPED ASSISTANCE EXPENSES
- REQUEST BY FAMILY FOR VARIATION OF UNIT SIZE
- SOCIAL SECURITY NUMBER
- VERIFICATION OF CITIZENSHIP AND/OR ELIGIBLE NON-CITIZENSHIP STATUS
- EIV EXISTING TENANT SEARCH STATING WHETHER OR NOT THE APPLICANT FAMILY IS RECEIVING HUD ASSISTANCE THROUGH ANOTHER PROGRAM AT ANOTHER LOCATION.

The EIV Existing Tenant Search will be used to verify whether or not an applicant is currently renting or has in the past rented through a HUD subsidized program.

If the applicant is a current tenant with another HUD subsidized program and meets eligibility criteria, HACE will use the EIV Existing Tenant Search to verify move-out and that the tenant's account with the previous property owner/public housing authority is in good standing prior to move-in.

If at the time of the EIV Existing Tenant Search, it is verified that the applicant is a previous tenant of a HUD subsidized program with an outstanding balance, the applicant will be made ineligible.

B. VERIFICATION POLICY

1. Third-Party Written Verification

HACE will require that all applicants and participants sign form HUD 9887/9887a and the HACE required Release and Consent form for the purpose of obtaining independent verifications pertaining to eligibility and rent determinations. Third-party written verification will be requested by HACE to the extent that such verification is possible. In cases where appropriate third-party verifications cannot be used, HACE will attempt to obtain all verifications for the purpose of determining anticipated income and expenses for the subsequent 12-month period. Enterprise Income Verification (EIV) as accessed in accordance with HUD requirements shall be the first source of third-party verification to the extent that such information is available. HACE, at its discretion, may use other HUD-allowed variations to this verification policy.

In accordance with 24 CFR §982.516(a)(2), HACE will make every reasonable attempt to obtain and document in the applicant/participant file third-party verification of the following factors:

- Reported family annual income;
- The value of assets;
- Expenses related to deductions from annual income; and
- Other factors that affect the determination of adjusted income.

HACE will use the most effective third-party verification techniques available and will apply them in priority order listed below:

- a. Upfront Income Verification (UIV) (Priority 1):** The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

HUD's Enterprise Income Verification (EIV) system shall be the first choice of Upfront Income Verification to be used in its entirety to verify tenant income and employment information.

HACE may use other UIV resources as needed, including but not limited to:

- Private sector databases (e.g., The Work Number)
- State government databases

- b. Written Third-Party Verification (Priority 1):** An original or authenticated document generated by a third-party source dated either within the 60-day period preceding the reexamination or HACE request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. HACE may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third-party source) include, but are not limited to: pay stubs, government award letters, medical bills, income tax documents, checks, bank statements, payroll reports, or other documents that would provide information as to applicable current or ongoing amounts received or disbursed by the family. A HACE staff member will review and determine the validity and/or accuracy of the document. HACE will make a photocopy and document the applicable information on a form prescribed by HACE after viewing the original. Government checks will not be photocopied but will be documented by HACE. In all instances, current acceptable tenant-provided documents must be used for income and rent determinations.

HACE will obtain at a minimum four to six current and consecutive pay stubs for determining annual income from wages. For new income sources or when two pay stubs are not available, HACE may project income based on the information from a traditional written third-party verification form or the best available information.

Note: Documents older than 60 days are acceptable for confirming effective dates of income.

- c. Written Third-Party Verification Form (Priority 3):** Also known as traditional third-party verification, is a standardized form to collect information from a third-party source. The form is completed by the third-party by hand (in writing or typeset). HACE shall send the form directly to the third-party source by mail, facsimile, or e-mail.
- **Mail documentation** of a request by HACE, mailed directly to an appropriate individual authorized to report applicable information of the family member, and returned directly to HACE.
 - **Facsimile-transmitted documentation** directly issued to HACE which has been signed or certified by an appropriate individual authorized to complete such verification.
 - **E-mail documentation** directly transmitted to HACE that contains and identifiable e-mail address from which it originated, and indicates the appropriate individual and entity requested to verify the information; or an attached file that contains the requested information that clearly indicates authenticity.

This verification method will be used by HACE where UIV and Written Third-Party Verification (Priority 2) information is not available, or to obtain additional information necessary to accurately verify information received in higher priority categories.

- d. Oral Third-Party Verification (Priority 4):** Through contacts made by telephone or in person, to an appropriate third-party. A HACE staff member will document the facts obtained, the date and time of the contact, the specific party who provided the information, and other data on a form prescribed by HACE.

2. Non-Third-Party Verification

Where third-party verification is not available or where HACE has made numerous attempts to obtain the required verifications with no success, HACE will document in the family file as to the reason(s) why third-party verification was not available.

The tenant will then be required to submit a notarized statement or affidavit that indicates the item(s) to be verified. This form of verification will be used when all other methods are not possible. The information must be specific and certified by a Notary Public.

3. Citizenship Verification

If the Declaration of Citizenship/eligible non-citizen status indicates that verification must be done, HACE will request information from the Department of Immigration and Naturalization Services (“INS”). This information will be requested first through the “SAVE” procedure, then secondary verification if “SAVE” does not verify eligible status. This verification is only to be done prior to admission unless a new member joins the family.

If it is determined that a family has an ineligible family member, assistance will be offered on a pro-rata basis in accordance with HUD Handbook 7465.7. Failure to accept pro-rated assistance will result in denial of assistance and the family will be removed from the waiting list. The verification of citizenship will occur only once for each member of the household.

C. INCOME, ASSETS, & INCOME ALLOWANCES/EXCLUSIONS

1. Income and Assets

For the purpose of determining tenant rent in the Section 8 New Construction program, income is considered to be the annual income of all family members, monetary or not, which go to, or are on behalf of, the family, head or spouse, or any other family member; or are anticipated to be received from a source outside their family during the 12-month period following admission or annual reexamination effective date; and as defined in 24 CFR §5.609.

2. Income Allowances/Exclusions

Certain income will be excluded when determining annual income of the family. HACE will exclude from its annual income determinations those amounts identified in 24 CFR §5.609(c) and Handbook 4350.3. In addition to income exclusions there are also allowances and expenses that may be applied.

- A \$400 allowance for elderly or disabled families;
- Expenses for elderly or disabled families;
- Auxiliary apparatus and attendant care expense for a handicapped member of the family;
- Other amounts as defined in 24 CFR §5.609(c) and Handbook 4350.3.

D. TOTAL TENANT PAYMENT AND MINIMUM RENT

1. Total Tenant Payment (TTP)

HACE will calculate the TTP of all participants in the Section 8 New Construction program in accordance with 24 CFR §5.628.

2. Minimum Rent

HUD requires that each family who participates in the Section 8 New Construction program pay a minimum Total Tenant Payment (TTP) of Twenty Five dollars (\$25.00) including utilities. HACE will grant an exemption from the minimum \$25.00 TTP amount for any of the following:

- a. The family has lost eligibility, or is awaiting an eligibility determination, for a federal, state or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled for public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
- b. The family would be evicted as a result of the imposition of the minimum rent requirement;
- c. The income of the family has decreased because of changed circumstance, including loss of employment;
- d. A death in the family has occurred; or
- e. Other valid reasons approved by HACE on a case-by-case basis.

Families will be eligible for the hardship exemption only if the hardship is reported in writing to HACE. HACE will exempt the family beginning the month following the month in which the exemption was requested. Verification will be conducted and HACE will determine eligibility based upon the above-listed factors and HUD regulations.

3. Zero Income

In any instance, if a family reports that it has no income being received by family members, HACE will require that the family report and certify every 30 days following the initial reporting date as to the total household income. A notarized statement by the family must be completed when reporting zero income. HACE may make further investigation into the family's information, if it appears that the family is receiving unreported income as defined in 24 CFR §5.609.

E. SCREENING / SUITABILITY FOR ADMISSION AND CONTINUED OCCUPANCY

1. The Screening Process

Information to be considered in completing tenant screening shall be reasonably related to assessing the conduct of the applicant, other family members or live-in aide(s) listed on the application, in present or prior housing. The history of applicant conduct must demonstrate that the applicant family is not likely to:

- a. Interfere with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare; or
- b. Adversely affect the physical environment or the financial stability of the development.

2. Criteria for Denying Assistance or Terminating Tenancy

All applicants and participants of the Section 8 New Construction program must meet other specific eligibility criteria. HACE will deny program assistance to an applicant or terminate tenancy of a participant if:

- a. Any member of the family has been evicted from Federally-assisted housing because of drug-related criminal activity as defined in 24 CFR §5.100, or if any member of the family has been evicted from public housing for any other reason in the past five years. The five- year period shall begin on the date of such eviction. HACE will obtain verification from the local housing authority ("LHA") or the owner of federally assisted housing if applicable;
- b. Any member of the family is currently engaging in illegal drug use;
- c. Any member of the family has ever been convicted as a sex offender and who is subject to the lifetime registration with federal, state or local law enforcement agencies. HACE will perform Criminal Background Checks in Pennsylvania and other states where household members are known to have resided;
- d. Any PHA has terminated program assistance for violating family obligations or program regulations under the lease for any family member in the past three years (other than as provided in paragraph "a" of this section). HACE will obtain verification from the PHA if applicable;
- e. Any member of the family has committed drug-related criminal activity or violent criminal activity within the past three years as defined in 24 CFR §5.100 (other than as provided in paragraph "a" of this section). HACE obtains Criminal Background Checks on each applicant family. Police reports may also be used for verification;

- f. Any family member currently, or in the past three years, has demonstrated a pattern of the abuse of alcohol or a pattern of illegal use of a controlled substance that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. If HACE has reason to believe that a detrimental pattern exists, additional inquiry may be initiated through such resources as police and medical records (if available) to determine if there is a threat to the health, safety, or right to peaceful enjoyment of neighbors;
- g. Any family member has ever been convicted of manufacturing or producing methamphetamine in Federally-assisted housing. These individuals will be permanently denied admission to the Better Housing Apartments development;
- h. Any family member has committed any fraud, bribery or other corrupt or criminal act in connection with any federal housing program;
- i. The family currently owes rent or other amounts to HACE or to another PHA in connection with public housing or Section 8 with a private owner under the 1937 Housing Act;
- j. The family has not reimbursed a PHA or private Section 8 owner for amounts paid to an owner under a Housing Assistance Payments (“HAP”) contract for rent, damages to the unit, or other amounts owed the family under the lease;
- k. The family has breached an agreement with HACE to pay amounts owed to HACE, or amounts paid to an owner by the HACE;
- l. Any member of the family fails to sign and submit the required consent forms for obtaining information, including form HUD 9887/9887a;
- m. Any member of the family has ever engaged in or threatened abusive or violent behavior toward any HACE personnel, or any contractor, sub-contractor or agent of HACE;
- n. Any member of the family has ever been convicted as a sex offender and who is subject to the lifetime registration with federal, state or local law enforcement agencies.;
- o. An applicant's past performance indicates difficulty in meeting financial obligations, especially rent and utilities. A former HACE tenant (otherwise eligible) who applies while owing a balance for uncollected rent and/or miscellaneous charges will not be considered for housing until all debts are resolved. This standard is also applicable to outstanding balances owed to other federally funded housing programs; or
- p. An applicant family does not meet HACE prescribed requirements during a home visit.

3. Additional Crime-Related Criteria for Termination of Tenancy

In addition to the reasons described in paragraph 2 of this section, HACE will terminate tenancy and evict the tenant family for any of the following:

- a. Drug-related criminal activity engaged in, on or near the premises by any tenant, household member or guest, and any such activity engaged in on the premises by any other person under the tenant's control. The following definitions are applicable to this Plan and are in accordance with 24 CFR §5.100:
 - Premises: the building, complex or development in which the public or assisted housing dwelling unit is located, including the common areas and grounds.
 - Guest: a person temporarily staying in the dwelling unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.
 - Other person under the tenant's control: a person who, although not staying as a guest in the dwelling unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or member of the household who has express or implied authority to so consent on behalf of the tenant. (Example of other persons under the tenant's control includes party attendees, regular visitors, and people who provide a commercial service to a household member on a regular and frequent basis, such as an in-home nursing care provider.) Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control (Example of this could be a pizza delivery person).
- b. Criminal activity by a tenant, any member of the tenant's household, a guest or other person under the tenant's control:
 - That threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises) or;
 - That threatens the health, safety, or right to peaceful enjoyment of their residences of persons residing in the immediate vicinity of the premises.
- c. If the tenant is fleeing to avoid prosecution, custody or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees or that, in the case of the State of New Jersey, is a high misdemeanor.
- d. If the tenant is violating a condition of probation or parole imposed under Federal or state law.

In the event HACE receives unfavorable information with respect to the applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors which may indicate a reasonable probability of favorable future conduct or financial prospects (e.g., evidence of rehabilitation).

4. Evidence of Criminal Activity

HACE will deny assistance to a family based upon drug-related criminal activity, violent criminal activity, or alcohol abuse if the preponderance of evidence indicates that a family member or covered person (as defined in 24 CFR §5.100) has engaged in such activity, regardless whether the family member or covered person has been arrested or convicted.

HACE will use the preponderance of evidence definition in Black's Law Dictionary, which is:

“Evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.”

5. Eligibility Exceptions

- a. HACE will not deny admission to the Section 8 New Construction program for a family member's drug-related criminal activity if the family member can demonstrate that he/she:
 - (1) Has an addiction to a controlled substance, has a record of such impairment, or is regarded as having such an impairment; and
 - (2) Has recovered from such addiction, does not currently use or possess controlled substances and:
 - Has successfully completed a supervised drug or alcohol rehabilitation program;
 - Has otherwise been rehabilitated successfully; or
 - Is participating in a supervised drug or alcohol rehabilitation program.
- b. HACE will not deny the admission to the Section 8 New Construction program for a family member's drug-related criminal activity, violent criminal activity or alcohol abuse if the family member involved in such activity or abuse no longer resides in the household because he/she is incarcerated.

6. Eligible and Ineligible Applicants

Verified information will be analyzed and a determination made with respect to:

- a. Eligibility of the applicant as a family;
- b. Eligibility of the applicant with respect to income limits for admission as established by HUD;
- c. Unit size required for the family;
- d. Proof of citizenship and/or eligible non-citizen status; and
- e. Suitability of the applicant with respect to the Tenant Selection Screening Criteria.

F. SELECTION

All information on the application will be verified when HACE estimates that an applicant can be housed within 60 days. A family will not be selected for admission until verification of all required information and citizenship has been provided.

Applicants and tenants must disclose and provide verification of the complete and accurate Social Security Number assigned to each household member. Any applicant that has not disclosed and provided verification of Social Security Numbers for all household members will have 90 days from the date of the first offer to do so. Acceptable forms of verification of Social Security numbers are:

- Original Social Security Card;
- Original document issued by a federal or state government agency which contains the name, SSN, and other identifying information of the individual;
- Driver's license with SSN;
- Identification card issued by a federal, State, or local agency, a medical insurance provider, or an employer or trade union;
- Earnings statements on payroll stubs;
- Bank statement;
- Form 1099;
- Benefit award letter;
- Retirement benefit letter;
- Life insurance policy;
- Court records.

If information is not received within 90 days of the first offer of housing, the applicant will be determined ineligible and removed from the waiting list.

These Social Security requirements do not apply to:

- Individuals who do not contend eligible immigration status.
- Individuals 62 years of age or older as of January 31, 2010, whose initial determination of eligibility was begun prior to January 31, 2010.

If a child under the age of 6 years is added to the household within a 6-month period prior to the date of admission, the applicant may become a tenant if the Social Security Number is verified within 90 calendar days of move-in. Management may grant an additional 90-day extension from the original 90-day due date, if it is determined that the applicant's failure to comply was due to circumstances outside the family's control, such as:

- Delayed processing by the Social Security Administration;
- Natural disaster;
- Fire;
- Death in the Family;
- Any other reasonable delay as determined by HACE.

During the 90 day reporting period, the will be considered a member of the applicant/tenant household. An interim reexamination must be posted once the member's Social Security Number has been verified.

Failure to produce verification of a Social Security Number within the allotted amount of time for a family member under 6 years of age will be grounds for termination of assistance. To assure compliance with §513 of the Quality Housing and Work Responsibilities Act of 1998, families will be selected from the waiting list based upon Income Targeting requirements as defined in this Plan and in accordance with the following:

1. Selection will be made based upon HACE's obligation that forty percent (40%) of all new admissions to the Section 8 New Construction program not have incomes that exceed 30% of the area median income.
2. HACE will monitor admissions at least every six (6) months to determine compliance with the 40% Income Targeting requirement.

3. HACE will admit families to the Section 8 New Construction program to comply with the Income Targeting requirement, and may adjust the waiting list selection to do so. When reviewing the admissions every 3 months, if the Better Housing Apartments development is not meeting the applicable requirements of QHWRA, the next move-in will be an Extremely-Low-Income applicant skipping over a non-Extremely-Low-Income applicant. Once the 40% target is met, management will convert back to the first person on the waiting list for the Better Housing Apartments.

H. SPECIAL ADMISSIONS (NON-WAITING LIST SELECTION)

A special admission is the admission of an applicant who is not on HACE's waiting list or is admitted without considering the applicant's waiting list position. HACE will admit families as special admissions for the following:

1. Any move-in mandated by court orders related to desegregation or Fair Housing and Equal Opportunity will take precedence over all other applicants.
2. HACE will admit a family who is part of a HUD Office of Inspector General ("OIG") witness protection program, provided that the OIG furnishes a written threat assessment that recommends rehousing the family to avoid or minimize a risk of violence against family members as a reprisal for providing such information.

I. BEDROOM OCCUPANCY STANDARDS

1. The following standards will govern the number of bedrooms required to accommodate a family of a given size and composition. Reasonable exceptions to these standards may be made at the discretion of the Executive Director or his/her designee.

BEDROOM SIZE	MINIMUM NO. PERSONS	MAXIMUM NO. PERSONS
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8

- a. The living room will not be regularly used as a bedroom.
- b. Reassignment of transfers to other dwelling units shall be made in compliance with HACE's non-discrimination policy.

J. LEASING OF DWELLING UNITS

1. A lease agreement shall be signed by the head, spouse, and all other adult members of the household accepted as a tenant family and by the Executive Director or his/her designee prior to actual admission. A security deposit of one month's total tenant payment or \$50 (whichever is higher) will be required at the time the lease agreement is executed.
2. If a tenant family transfers within the community or dwelling units, a new lease will be executed prior to move-in.
3. If, at any time during the life of the lease agreement, a change in tenant's status results in the need for changing or amending any provision of the lease:
 - a. A new lease agreement will be executed;
 - b. A Notice of Rent Adjustment will be sent; or
 - c. An appropriate rider will be prepared and made a part of the existing lease, or appropriate insertions will be made within the lease. All copies of such riders or inserts are to be dated and signed by the tenant and Executive Director or other authorized representative of HACE.
4. Only those persons listed on the most recent certification form shall be permitted to occupy a dwelling unit or an addition which has been authorized by HACE's designee in writing. Following receipt of a family's request for approval to add a new person to the lease, HACE will conduct a pre-admission screening of the proposed new occupant. The results of the

screening shall be used to determine whether HACE will approve admitting the new occupant. Residents who fail to notify HACE of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the lease. Such persons will be considered to be unauthorized occupants by HACE and the entire household will be subject to eviction.

- a. Family members over the age of 18 who move from the dwelling unit to establish new households shall be removed from the lease. These individuals may not be readmitted to the unit and must apply as a new applicant household for placement on the waiting list (subject to applicable income limits, tenant selection, and screening requirements). Medical hardship or other extenuating circumstances shall be considered by the Housing Manager in making determinations under this paragraph.
- b. Overnight guests are allowed to stay for up to 14 calendar days in a calendar year. Longer stays must be requested by the resident and may be approved at the discretion of the Housing Manager. Overnight guests may be permitted in a dwelling unit, provided that the family has reported the guest(s), in writing, to the Housing Manager prior to or within 72 hours of their arrival. Visitors are not members of the family. If the person is a visitor and does not intend to become a "permanent" member of the family, HACE does not have to consider this to be a change in family composition. If the visitor remains for more than 14 calendar days it will be considered to be a violation of the Family Obligations and the Lease and grounds for termination of the family, unless the extended stay has been approved by the development manager as stated above.
- c. Roomers and lodgers shall not be permitted to occupy a dwelling unit, nor shall they be permitted to move in with any family occupying a dwelling. Only tenants are permitted to use the address of the complex.
- d. Tenants will not be given permission to allow a former tenant of HACE who has been evicted to occupy the unit for any period of time.

4. TENANT SELECTION AND ASSIGNMENT PLAN

A. ORGANIZATION OF THE WAITING LIST

Each applicant shall be assigned his/her appropriate place on a waiting list in sequence based upon date and time the application was received; suitable type of unit (disability vs. non-disability); and factors affecting priority established by HACE's regulations which are consistent with the objectives of Title 6 of the Civil Rights Act of 1964 and HUD regulations and requirements pursuant thereto.

B. METHOD OF APPLICANT SELECTION AND ASSIGNMENT

In accordance with HACE'S Admission Policy, the plan for selection of applicants and assignment of dwelling units to assure equal opportunity and non-discrimination on grounds of race, color, gender, age, religion, familial status, disability or national origin is as follows:

1. The Housing Authority of the City of Erie hereby establishes a Plan in accordance with HUD Regulations (Plan A) under which the eligible applicant first in sequence must accept the vacancy offered or be moved to last place on the eligible applicant list.
2. If an applicant is willing to accept the unit offered, but is unable to move at the time of the offer, and presents clear evidence of his/her inability to move to HACE's satisfaction, refusal of the offer shall not require that the applicant be placed at the bottom of the waiting list.
3. If an applicant presents to the satisfaction of HACE clear evidence that the acceptance of a suitable vacancy will result in undue hardship or handicap not related to considerations of race, color, sex, religion, familial status, handicap or national origin, such as inaccessibility to source of employment, the refusal of the offer shall not require that the applicant be placed at the bottom of the waiting list.

C. TRANSFERS

1. Transfers to permit modernization shall take priority over new admissions.
2. Residents shall not be transferred to a dwelling unit of equal size within the development except for alleviating hardships as determined by the Executive Director or his/her designee.
3. When an adapted/accessible unit becomes vacant, the unit will be offered in the following manner:
 - a. First, to a current occupant of another unit of the same development who has a disability which requires the accessibility features of the vacant unit.
 - b. Second, to an eligible qualified applicant on the waiting list who has a disability which requires the accessibility features of the vacant unit.

- c. Third, to an eligible non-disabled applicant (HACE will require the applicant to agree to move to a non-accessible unit when available if another applicant requires the accessibility features of this unit; this agreement may be incorporated into the lease).
- 4. Transfers requested because of a change in family size/composition or a medical reason certified by a doctor/qualified professional will take priority over new applicants.
- 5. Refusal by the tenant of a transfer to an appropriate unit is grounds for termination.

5. ELIGIBILITY FOR CONTINUED OCCUPANCY / REEXAMINATIONS

A. ELIGIBILITY FOR CONTINUED OCCUPANCY

Only those occupants who meet the following criteria will be eligible for continued occupancy:

1. Qualify as a family as defined by the regulations and PIH Notices; and
2. Are in full compliance with resident's obligations and responsibilities as listed in the resident's dwelling lease.

B. REEXAMINATIONS

HACE will examine family income, size and composition, at admission and at least annually for the purposes of determining rent and eligibility. The examination will include that of income and other family information. Verification will be in accordance with Chapter 3 of this Plan. The family must submit documentation and verification which HACE deems necessary for the purpose of determining annual income, adjusted income or total tenant payment; or for the purpose of auditing the family's eligibility to receive assistance.

C. REPORTING REQUIREMENTS

1. Families who participate in the Section 8 New Construction program must report all changes in family income, assets, composition, and other related items as identified in 24 CFR part 5 subpart B when the change occurs. Such changes must be reported in accordance with the "Immediate Reporting" requirements of this Plan. Participants who report no income will be subject to the "Zero Income" requirements of this Plan.
2. Families must supply all information requested by HACE or HUD for use in admission of an applicant, a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements. "Information" includes any requested documentation, release or certification.
3. HACE must approve the composition of the assisted unit including approval of the inclusion of a foster child or live-in aide.
4. Any information supplied by the family must be true and correct.
5. Failure by the family to comply with these reporting requirements is considered to be a violation of their obligations and grounds for termination of participation.

D. REPORTING EXCEPTIONS

Families who receive Public Assistance, Social Security, Social Security Disability, or Supplemental Security Income (“SSI”) are not required to report their annual increase when it occurs. HACE will not increase the family's total tenant payment until their next regularly scheduled annual reexamination except when an interim recertification is necessary as a result of any other changes listed in the "Reporting Requirements" section of this chapter.

E. ZERO INCOME

In any instance, if a family reports that it has no income being received by family members, HACE will require that the family report and certify every 30 days following the initial reporting date as to the total household income. HACE may begin eviction procedures to a participant family that claims zero income if evidence exists that the family is receiving income as defined in 24 CFR §5.609. Any family whose participation is to be terminated under this section will be given the opportunity for a hearing in accordance with the Informal Hearing Procedures.

F. ANNUAL REEXAMINATION

1. Annual Reexamination Process

- a. At least every twelve months HACE will conduct a reexamination of the family’s income, composition and circumstances. The process will begin approximately 120 days prior to the anniversary date whereby HACE will mail a notification to the family to schedule an appointment for the purpose of annual reexamination. The family will complete an application for continued occupancy, applicable release forms and other forms deemed to be necessary by HACE for the purposed of annual reexamination at the scheduled appointment.
- b. Annual reexaminations may be conducted either by mail or in-person, at the discretion of HACE.
- c. A master list of annual reexaminations that are due will be maintained based upon the monthly anniversary date of the participant. This will assure that each eligible family will have an annual reexamination every twelve months. In addition, the list will be used for record keeping and tracking of the reexamination progress. Such lists will be maintained by HACE for at least seven (7) years.
- d. Generally, two attempts will be made to obtain the required reexamination documents from the family. Failure by the family to comply with HACE’s requests for information or to sign consent forms will result in the termination of the family’s participation in the Section 8 New Construction program. The family will have the right

to a hearing in accordance with the Lease and Grievance procedures.

- e. The effective date of an annual reexamination will occur on the annual reexamination anniversary date of the family which is the first of the month the tenant moved into the property.

2. Family Obligation to Recertify

- a. The family will be notified by mail that they must attend an interview for HACE to review their current family circumstances as to income and family composition. The appointment notice will identify the date, time and place of the interview. Included with the notice will be an application for continued assistance that must be completed, signed and submitted to HACE at the interview along with any required documentation identified in the notice.
- b. If the family cancels or fails to attend the scheduled interview, a second notification to reschedule will be mailed. If the family does not attend the scheduled second interview a third notice will be sent to the applicant. The notices will be based on the following schedule:

- First Reminder Notice

At least 120 days prior to the tenant's recertification anniversary date.

- Second Reminder Notice (If no response to First Notice.)

At least 90 days prior to the tenant's recertification anniversary date.

- Third Reminder Notice (If no response to Second Notice.)

At least 60 days prior to the tenant's recertification anniversary date. This notice will serve as a 60 day notice to terminate assistance and as a 60 day notice of rent increased to Market Rent.

If the tenant still does not responded HACE will raise the rent to the Market Rate and initiate eviction proceedings for violation of the Lease Requirements in accordance with Handbook 4350.3, Chapter 8.

- c. If all required documentation has not been supplied to HACE at the interview, the family will be given fourteen (14) calendar days to submit the deficient information. Failure to supply the required documents within the specified time frame will result in the eviction of the family in 30 days for violating the Lease Requirements and 24 CFR Part 5, subpart B, failing to supply required information.

- d. The notice of eviction will indicate that the family has violated the regulation specified, and will offer the family an opportunity for a hearing in accordance with HACE's Informal Hearing Procedures.
3. Completion of the Annual Reexamination
 - a. The family's TTP, will be calculated based upon the information provided and verified during the annual reexamination. However, HACE may determine the TTP by disallowing deductions and or allowances that it could not substantiate through reasonable verification means. Any changes will be effective on the annual reexamination effective date except as provided under paragraph G of this chapter.
4. Action Following Re-Examination
 - a. If there is any change in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued. Failure to return the signed Tenant Certification Form, which HACE requires to establish tenant's continuing eligibility for housing, will result in an automatic notice of eviction.
 - b. If it is determined that a family has an ineligible non-citizen, the family will be offered pro-rated assistance. Failure to accept pro-rated assistance will require the HACE to issue to the family a termination notice. If the family requests a deferral of termination, the HACE will honor their request (not to exceed 18 months).

6. INTERIM ADJUSTMENTS OF RENT

A. RENT DECREASES AND ADJUSTMENTS

Families must report all changes in family income, assets, size and composition when they occur. HACE will conduct interim reexaminations between annual reexaminations in accordance with HUD requirements and the provisions of this Plan. Interim reexaminations will be conducted by HACE for the following:

- Any increase in income of \$200 or more per month;
 - For any decrease in income source of any family member; or
 - For any change in family composition.
1. If it is discovered during the reexamination that the tenant has misrepresented the facts (upon which the rent is based) so that the rent the tenant is paying is less than the rent that he/she should have been charged, HACE may apply an increase in rent retroactive to
 2. the first month following the month in which the misrepresentation occurred and/or evict the tenant in accordance with the Lease.
 3. The Tenant is obligated to report any changes in income or family composition in accordance with the Immediate Reporting Requirement identified in section B of this chapter and the terms and conditions of the tenant's Residential Lease. Failure to timely report a change in income is a material breach of the Lease.
 4. Complete justification and verification of the circumstances applicable to rent adjustments will be documented and approved by the Executive Director or his/her designee.
 5. Tenants who are granted a reduction in rent under these provisions will be required to report when their income changes again, up or down. If the family income increases during this time due to employment or a change in source of income, the increase in rent will be effective the first day of the second month after the documented change occurs. A fully documented record of circumstances and decisions shall be included in the tenant's file.
 6. When a decrease in income is reported by the tenant, and HACE receives confirmation that the decrease will last less than thirty (30) days, an interim adjustment will not be processed. If such a decrease is anticipated to continue for more than thirty (30) days, HACE will process an interim reexamination in accordance with the requirements contained in this chapter.

B. IMMEDIATE REPORTING REQUIREMENT

Families must immediately notify HACE of all reportable changes, as defined in this chapter. Immediate reporting means that the family, without notice, must contact HACE to report any applicable change within fourteen (14) calendar days of the actual date of such change, except that any additions to the family, other than births, require prior approval by HACE.

Failure on the part of the family to report applicable changes in fourteen (14) calendar days, which would have an increase in TTP, will result in HACE's calculating a "retroactive rent" for the family based upon the actual date of the changes. A retroactive rent will be determined by calculating the TTP that the family should have paid during the period that the changes were not reported, and subtracting that total from the amount of TTP the family actually paid for the same time period. This retroactive rent amount may either be paid in one payment or by a repayment agreement in accordance with the Chapter 10 of this Plan. If HACE believes that any action or inaction under this paragraph is intentional, HACE will begin eviction proceedings and initiate court action to recover monetary damages.

C. INCORRECT REPORTING

In any instance, if HACE believes that a family has provided false, misleading or deliberately inaccurate information to, HACE, HACE may conduct additional investigation to obtain reasonable evidence, and begin eviction proceedings with proper notice, and/or prosecute the family in accordance with the law. Where evidence of serious fraud exists, HACE will refer all information to HUD's Office of Inspector General for further investigation.

D. EFFECTIVE DATE OF ADJUSTMENTS

1. Tenants will be notified in writing of any rent adjustment, and such notice will state the effective date of any adjustment.
2. Rent decreases become effective the month following the verified reported change, provided that the change in income or circumstances was reported in a timely manner.
3. Rent increases as a result of an increase in family income will become effective the first day of the second month after the documented change occurs.

7. SPECIAL FAMILY CIRCUMSTANCES

A. FAMILY BREAKUP

If the family breaks up, HACE must determine the eligibility of remaining family members and who will remain in the unit or if the lease will be terminated. The factors to be considered in making this decision are based on the following:

- Whether the assistance should remain with family members remaining in the original assisted unit.
- The interest of ill, elderly or disabled family members.
- Whether actual or threatened domestic violence was involved in the breakup.
- If a judicial degree is issued by the courts in a divorce or separation, HACE will be bound by the court's determination as to which family member will continue to receive the program assistance.

B. REMAINING MEMBER OF THE FAMILY

- A "Remaining family member" is defined as a family member of an assisted tenant family who remains in the unit when other members of the family have moved out.

C. DISAPPROVAL OF LIVE-IN AIDE

At any time HACE will withdraw the approval of a live-in aide, if the live-in aide:

1. Commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program; or
2. Commits drug-related criminal activity or violent criminal activity.

If the live-in aide has his/her approval withdrawn, he/she is no longer eligible to remain in the assisted unit and will be considered to be an ineligible member of the household. If the ineligible member remains in the unit after HACE provides notice of the ineligibility, HACE will begin eviction procedures.

D. VAWA

The ***Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA)*** is a gender neutral protection for the victims of domestic abuse. Accordingly, victims of domestic abuse will not be discriminated against during the application process with regard to eligibility, or have penalties regarding continued participation/tenancy if household member is the victim of domestic violence, dating violence, or stalking.

HACE may not consider incidents of domestic violence, dating violence, or stalking as serious or repeated violations of the lease or “good cause” for termination of assistance, tenancy, or occupancy rights of the victim of abuse.

HACE may not consider criminal activity directly relating to abuse, engaged in by a member of the tenant’s household or any guest or other person under the tenant’s control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of that abuse.

HACE may request, in writing, that the victim, or a family member on the victim’s behalf, certify that the individual is a victim of abuse and that the form *HUD-5382 Certification of Domestic Violence, Sexual Assault, or Stalking, and Alternate Documentation* or other documentation as noted on the certified form, be completed and submitted within (14) days, or an agreed upon extension date, to receive protection under VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction or the termination of rental assistance.

All HACE tenants/participants will sign a Lease Addendum (Form HUD-91067) informing them of their rights under VAWA.

8. EXCLUSIONS TO HOUSEHOLD

A. GENERAL POLICY

Income and the Total Tenant Payment are calculated in accordance with 24 CFR Part 5, subpart F. for all family members who reside in the household.

B. ABSENT FAMILY/FAMILY MEMBER

The family will need to declare a member as permanently or temporarily absent in writing to HACE. HACE will advise the family at that time, or at reexamination, what the options are and how they might affect the Total Tenant Payment or the unit size. HACE will utilize the following policies in determining temporary/permanent absences:

1. Absence by the family from their unit for more than 90 days will be considered by HACE as to be abandonment of the unit. The family's assistance will be terminated and they will be provided an opportunity to request a hearing.
2. If a member of the family leaves the unit for 90 days or more, they will be considered to be permanently absent. HACE will review each family's circumstances on a case by case-by-case basis.
3. If a single-member household is absent for more than 90 days, his/her assistance will be terminated, unless he/she requests and extension. Documentation, and is granted, an extension. Third-party documentation acceptable to HACE must be submitted (such as from a hospital, hospice, etc.) that indicates that he/she will return within the next 90 days (maximum absence cannot exceed 180 days).

C. TEMPORARILY ABSENT FAMILY MEMBERS' INCOME

HACE will include the income of all temporarily absent family members when determining the TTP.

If the spouse or the head of household is temporarily absent, his/her entire income is counted, whether or not he/she is on the lease.

D. OTHER ABSENT FAMILY MEMBERS

Family members who have been incarcerated for more than 180 days will be considered to be permanently absent family members and will not be included in the household.

9. LEASE TERMINATION PROCEDURE

A. NOTICE REQUIREMENTS

No tenant shall be given a Notice of Lease Termination without being informed in writing of the reason for the termination by HACE. The tenant must also be informed of his/her right to request a hearing in accordance with Informal Hearing Procedure and be given the opportunity to make such a reply as he/she may wish.

Certain actions are excluded from the Grievance Procedure:

1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or HACE employees;
2. Any drug-related criminal activity on or off HACE premises;
3. Any drug or alcohol abuse that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

B. RECORD KEEPING REQUIREMENTS

A written record of every termination and/or eviction shall be maintained by HACE and shall contain the following information:

1. Name of tenant, number and identification of unit occupied;
2. Date(s) of the 30-Day Notice of Lease Termination in accordance with the lease and Handbook 4350.3 (HUD Requirement) and the Notice to Quit (State Law Requirement);
3. Specific reason(s) for the Notices, with lease violations, disturbances, and other facts pertinent to the issuing of the Notices described in detail;
4. Date and method of notifying the tenant; and
5. Summaries of any conferences held with the tenant, including names of conference participants and conclusions.

10. REPAYMENT AGREEMENTS

HACE provides, in certain instances, an opportunity for tenants who owe money to HACE to enter into repayment agreements and continue to participate in the Section 8 New Construction program. At the discretion of HACE, and in accordance with this Section 8 New Construction Plan, the family may be offered an opportunity to enter into a repayment agreement to pay for amounts owed HACE. HACE will calculate the installment amounts and prescribe the terms of the repayment agreements.

A. UNREPORTED OR MISREPORTED INCOME

When HACE identifies cases where the family has erroneously reported their household income, or has not reported all of their household income, a determination will be made as to whether the family's action or inaction by the family appears to be deliberate, and if whether any Family Obligations have been violated. A repayment agreement may be offered if the family has not:

- Committed fraud or willfully misrepresented information;
- Violated any of the Family Obligations; or
- Previously breached a repayment agreement with HACE in the past three years.

B. OTHER AMOUNTS OWED THE HACE

A family may owe HACE money for reasons other than overpayments from incorrect rental calculations and disbursements for special claims. Repayment agreements for other amounts owed may be offered to families by HACE depending upon the origin of the outstanding debt and any rules governing the type of debt. The decision to offer a repayment agreement in this category will be made on an individual basis by HACE.

C. REPAYMENT AGREEMENT POLICY

The repayment agreement will be specific, identifying the reason for the reimbursement, term of the agreement, payment frequency and due date, installment amount and other binding conditions structured by HACE. A repayment agreement must be executed by the family's head of household within ten (10) calendar days of the offer by HACE, otherwise it will be considered a refusal by the family. The repayment agreement policy conforms to the following:

- Each installment will be due in advance without notice by the family. Payments will be added to the monthly rent statement.

- A repayment agreement for a family will consist of a term of no longer than 12 months, unless a longer term had been approved by the Executive Director.
- Any breach of the terms or conditions of a repayment agreement will result in the eviction of the family.
 - If a family is offered a repayment agreement for moneys owed HACE, and the family refuses, the entire amount will be due immediately. Failure by the family to pay HACE will be considered reason for eviction of the family.
 - Advance notice of a termination of program assistance under this paragraph and a right to a hearing will be provided to the family prior to discontinuance of assistance.

D. PROSECUTION FOR FRAUD

If HACE determines that the family has committed fraud after a repayment agreement has been executed, HACE may begin eviction procedures. In all cases involving fraud, HACE has the right to prosecute in accordance with applicable laws.