Administrative Plan

Housing Choice Voucher Program

Housing Authority of the City of Napa

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CHAPTER 1. STATEMENT OF POLICIES AND OBJECTIVES

A. PURPOSE OF THE PLAN [24 CFR 982.54]

The Administrative Plan, as required by the Department of Housing and Urban Development's (HUD) Section 8 regulations, is designed to establish policies for carrying out the Section 8 tenant-based assistance programs in a manner consistent with HUD regulations and local goals and objectives. The Housing Authority of the City of Napa (HACN) will revise this Administrative Plan as needed to comply with changes in HUD regulations and local goals and objectives. Any revisions to the Plan will be submitted to the HACN Board of Commissioners for approval. This Administrative Plan is a supporting document to the HACN Agency Plan, and is available for public review as required by CFR 24 Part 903.

The operating jurisdiction of the HACN includes the cities of Napa, Calistoga, St. Helena, American Canyon, Town of Yountville and unincorporated Napa County, California.

B. MANAGEMENT ASSESSMENT/ MONITORING HACN PERFORMANCE

1. Definition of Control Sample

The HACN's quality control sample of files or records will be drawn in an unbiased manner and reviewed by a HACN supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to HUD program requirements. The minimum size of the HACN's quality control sample is determined by HUD as follows.

Universe	**Minimum number of files or records to be sampled**
50 or less	5
51–600	5 plus 1 for each 50 (or part of 50) over 50.
601–2000	16 plus 1 for each 100 (or part of 100) over 600.
Over 2000	30 plus 1 for each 200 (or part of 200) over 2000.

Where the universe is:

a. the number of admissions in the last year for each of the two quality control samples under the Section 8 Management Assessment (SEMAP) indicator 985.3(a) - selection from the waiting list;
b. the number of families assisted for the SEMAP indicator 985.3(b) - reasonable rent;
c. the quality control samples under the SEMAP indicator 985.3(c) - determination of adjusted income;
d. the number of units under the Housing Assistance Payment (HAP) contract during the last completed HACN fiscal year for the SEMAP indicator 985.3(e) – Housing Quality Standards (HQS) Quality Control Inspections; and

e. the number of failed HQS inspections in the last year for the SEMAP indicator at 985.3(f) - HQS enforcement.

2. In order to demonstrate compliance with HUD and other pertinent regulations, the HACN will maintain records, reports and other documentation for the period of time that is in accordance with HUD requirements. The HACN policies and practices are consistent with all the areas of measurement for the HUD Section 8 Management Assessment Program (SEMAP) indicators.

3. Waiting List - The HACN will conduct two quality control samples, drawn separately for applicants reaching the top of the waiting list and for admissions, documenting that at least ninety-eight percent (98%) of the families in both samples of applicants and admissions were selected from the waiting list for admission in accordance with HUD regulations and HACN policies and met the selection criteria that determined their places on the waiting list and their order of selection. The HACN will generate a copy of the waiting list to demonstrate that selection from the waiting list is done according to HUD regulations and the HACN policies as described in this Plan.

4. Rent Reasonableness - The HACN will conduct a quality control sample of tenant files that will follow its written method to determine reasonable rent and document that the rent to Owner is reasonable in accordance with HUD regulations for at least ninety-eight percent (98%) of units sampled at the time of initial leasing, if there is any increase in the rent to Owner and, at the HAP contract anniversary if there is a five (5) percent decrease in the published Fair Market Rent (FMR) in effect 60 days before the HAP contract anniversary. The HACN will determine whether the rent to Owner is a reasonable rent in comparison to rent for other comparable unassisted units on an annual basis. To make this determination, the HACN will consider: the location, quality, size, unit type, and age of the contract unit, as well as any amenities, housing services, maintenance and utilities to be provided by the Owner in accordance with the lease.

5. Adjusted Income – Based on the quality control sample of new and reexamined tenant files, at least for ninety percent (90%) of families:

a. the HACN will obtain third party verification of reported family annual income, the value of assets totaling more than $5,000, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income. If third party verification was unavailable, the tenant file shall include documentation of the reason(s).
b. the HACN will correctly attribute and calculate allowances for any medical, child care, and/or disability assistance expenses; and
c. the HACN will use the appropriate utility allowances to determine gross rent for the unit lease.

6. Utility Allowance Schedule - The HACN will review utility rate data for the last twelve (12) month period, and adjust its utility allowance schedule if there has been a change of ten percent (10%) or more in a utility rate since the last utility allowance schedule revision.

7. HQS Enforcement – The HACN quality control sample of case files with failed HQS inspections will ensure that for all cases sampled, any cited life-threatening HQS deficiencies are corrected within 24 hours from the inspection and, for at least ninety-eight percent (98%) of cases sampled, all other cited HQS deficiencies are corrected within no more than 30 calendar days from the inspection or any HACN-approved extension, or, if any life-threatening HQS deficiencies were not corrected within 24 hours and all other HQS deficiencies were not corrected within 30 calendar days or any HACN-approved extension, the HACN stopped (abated) housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce family obligations.

8. HQS Quality Control - The HACN supervisor or the supervisor's designee will perform quality control HQS re-inspections during the HACN fiscal year for a sample of units under contract, which meets the minimum sample size requirements under the HACN's quality control sample. The HACN's sample will be drawn from recently completed HQS inspections (i.e., performed during the three (3) months preceding the quality control re-inspection) and will be selected to represent a cross section of neighborhoods and inspectors.

9. Payment Standards - The HACN's payment standard schedule contains payment standards which do not exceed one hundred ten (110) percent of the current applicable published FMR and which are not less than ninety (90) percent of the current applicable published FMR (unless a higher or lower payment standard amount is approved by HUD).

The HACN will adopt current voucher program payment standards by unit size for each FMR area in its jurisdiction. The HACN will annually review and adopt by resolution any changes to its current payment standards.

C. PRIVACY RIGHTS [24 CFR 982.551 AND 24 CFR 5.212]

1. Applicants and participants, including all adults residing in the household, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD/HACN will release family information.

2. Any and all information which would lead to the determination of the nature and/or severity of a person's disability will be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder will not be released except on an "as needed" basis in cases where a reasonable accommodation is under consideration.

3. All applicants shall be provided with a Privacy Act notice at the time of application. All participants shall be provided with a Privacy Act notice at each annual recertification.

4. The Housing Authority follows HUD requirements for safeguarding personally identifiable information (PII), including Social Security Numbers, Employer Identification Numbers, and any other information derived from Social Security Numbers and

Employer Identification Numbers. The Housing Authority will not share PII unless it has authorization and sharing of this information has been determined to be proper and necessary. When PII is shared, the Housing Authority shall use secure methods of transmission. PII shall be stored in secure locations. If there is a suspected breach of sensitive PII, the Housing Authority will promptly report the suspected compromise to HUD.

D. FEE RESERVE

Before the beginning of each fiscal year, the Board of Commissioners will review and adopt the HACN budget. All funds will be budgeted and approved by the Board of Commissioners before any expenditure is made. This also applies to any funds drawn from the Administrative Fee Reserve.

E. EQUAL OPPORTUNITY

1. It is the policy of the HACN to comply fully with all Federal, State, and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

2. No person shall, on the grounds of race, color, gender, religion, creed, national or ethnic origin, familial status, marital status, handicap, disability, gender identity, sexual orientation, ancestry, source of income or arbitrary characteristics (age, occupation, physical appearance) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the HACN housing programs.

3. To further its commitment to full compliance with applicable Civil Rights laws, the HACN will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. All written information and advertisements will contain the appropriate Equal Opportunity language and logo.

4. If a family claims that illegal discrimination because race, color, gender, religion, creed, national or ethnic origin, familial status, marital status, handicap, disability or sexual orientation has prevented the family from finding or leasing a suitable unit with assistance under the Housing Choice Voucher program, HACN will provide the family with a HUD-903.1 discrimination claim form and assist the family in filling out and filing the housing discrimination complaint.

5. Fair Housing posters are posted throughout the Housing Authority office/s, including in the lobby and interview rooms. No individual with disabilities will be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the HACN's facilities are inaccessible to or unusable by persons with disabilities. For example, posters and housing information are displayed in locations throughout the HACN's office in such a manner as to be easily readable from a wheelchair.

6. HACN has submitted a signed certification to HUD of its intention to comply with: Title VI of the Civil Rights Act of 1964, Age Discrimination Act of 1975, and Executive Order 11063. HACN is in full compliance with these laws.

F. POLICY RELATED TO PERSONS WITH DISABIILTIES [24 CFR 100.202]

The HACN will comply with federal regulations pertaining to physical accessibility, including the following:

1. PIH 2002-01 (HA), Accessibility Notice; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968; the Fair Housing Act of 1988

2. The HACN will ensure that persons with disabilities have full access to all HACN programs and services. It is the HACN policy to ask all applicants and participants if they require any type of accommodations, on the intake application, reexamination documents, and notices of adverse action by the HACN, by including the following written language:

> "If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the Housing Authority."

3. A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

4. Refer to Appendix II for the HACN Reasonable Accommodation policy.

G. LIMITED ENGLISH PROFICIENCY (LEP) POLICY

1. HACN is in compliance with Title VI of the Civil Rights Act that ensures that persons with limited English proficiency (LEP) have meaningful access to the HACN's housing programs and activities.

2. In accordance with the Department of Housing and Urban Development (HUD) the HACN has adopted procedures to make reasonable efforts to provide access to its programs and to arrange free language assistance for its LEP clients.

3. LEP clients is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English and are Housing Choice Voucher program applicants and participants, parents and family members of applicants and participants.

H. POLICY FOR EXPANDING HOUSING OPPORTUNITIES

1. Encourage Owners Outside Areas of Poverty and Minority Concentrations

The HACN encourages participation by Owners of units located outside areas of poverty or minority concentration. This is accomplished utilizing the following outreach methods:

a. including information about the advantages of participation in the housing programs published in local media publications;
b. distributing information packets to Owners, property managers, and realtors of units outside poverty and minority concentrated areas;
c. conducting housing staff meeting with Owners' groups to explain the housing program, encourage participation, and strengthen community contacts;
d. hosting Owner briefings to explain the advantages of participation.

2. Information provided to applicants and participants will consist of the following:

a. information regarding the full range of areas where they may lease units both inside and outside the HACN's jurisdiction;
b. a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration;
c. maps that show various areas with housing opportunities outside areas of poverty or minority concentration both within its jurisdiction and its neighboring jurisdiction with the characteristics of those areas which may include information about job opportunities, schools, transportation and other services in these areas;
d. the briefing packet contains:
    1) a list of Owners who are willing to lease properties outside areas of poverty and minority concentrations under the rental voucher program;
    2) a current list of other organizations that will help families find units outside areas of poverty or minority concentration;
    3) an explanation of how portability works including a list of portability contact persons for neighboring housing agencies, with the name, address and telephone number of each.

CHAPTER 2. OWNER OUTREACH

A. INFORMATION TO OWNERS

1. The HACN will keep private Owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to Owners. The HACN encourages Owners of decent, safe and sanitary housing units to lease to Section 8 participants.

2. Printed material is offered to acquaint Owners and property managers with the available program opportunities. The HACN has active participation in community-based organizations comprised of private property and apartment Owners and managers, as well as local realtors.

B. OWNER BRIEFINGS

The HACN will hold individual and/or group briefings for Owners who participate in or who are seeking information about the Section 8 Program. The briefings will be conducted by the Section 8 staff members. The briefings are intended to explain how the program works, how the program benefits Owners, review Owners' responsibilities in the program, equal opportunity requirements and nondiscrimination requirements, including the Fair Housing Amendments Act of 1988 and the Americans with Disabilities Act. Emphasis is placed on quality screening and ways the HACN can help Owners do better screening. Additionally, the briefings provide an opportunity for Owners to ask questions and obtain written materials. The HACN will particularly encourage Owners of suitable units located outside areas of low-income or minority concentration to attend. The HACN has prepared maps that include various locations within its jurisdiction of housing opportunities outside areas of poverty or minority concentration. These maps are updated from current census data and will be provided to Owners during the briefings and on other occasions when the HACN staff meet with Owners, property managers, and realtors.

C. WORKING RELATIONSHIP WITH OWNERS

The HACN will continue to develop professional working relationships with Owners, realtor associations, and civic, charitable, or neighborhood organizations which have an interest in housing for low-income families, and public agencies concerned with obtaining housing for displaced families. The HACN will develop a list of interested Owners and property managers that have housing units outside the poverty and minority population areas. These lists will be distributed to voucher holders during their briefing session.

CHAPTER 3. APPLICATIONS TO THE WAITING LIST

A. FAMILY OUTREACH

1. When the HACN's waiting list is open, the HACN will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media publications, and by other suitable means. Notices will be provided in English and Spanish.

2. The HACN will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order for providers to make appropriate referrals for housing assistance.

B. APPLYING FOR ADMISSION

1. The application process involves two phases. The first is the initial application for assistance. After a preliminary eligibility review is completed, the family is placed on the waiting list.

2. Families who wish to apply for any one of the HACN's programs must complete a written initial application for admittance to the waiting list. Initial applications will be made available in an accessible format upon request from a person with a disability.

3. The second phase is the final determination of eligibility (referred to as the full application). The full application occurs when the family reaches the top of the waiting list. At this time, the HACN ensures that verifications of all HUD and HACN eligibility factors are current in order to determine the family's eligibility for the issuance of a voucher.

C. OPENING/CLOSING OF THE WAITING LIST

1. When the HACN closes or opens the waiting list for any program, the HACN will advertise through public notice in the newspapers of general circulation, minority publications and media entities, radio, the local Public Access Television programs,

2. The notice will contain the dates, times, and locations where families may apply, the programs for which applications will be taken, a brief description of the program and when the waiting list will be closed. The notice will provide information which includes the HACN address and telephone number, how to submit an initial application, and information on eligibility requirements. The notice will include a statement that upon written request, a person with a disability may have additional time of up to fourteen (14) days for submission of an initial application after the closing deadline as an accommodation.

3. The HACN may stop accepting applications if there are enough applicants to fill anticipated openings for the next twenty-four (24) months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights

laws. The HACN will announce the closing of the waiting list by public notice in the newspapers of general circulation and minority publications.

4. The HACN will add new applicants to the waiting list by separating the new applicants into groups based on preferences and ranking applicants within each group by date and time of application.

5. When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an initial application. When the initial application is submitted to the HACN, it establishes the family's date and time of application for placement order on the waiting list.

CHAPTER 4. ELIGIBILITY FOR ADMISSION

A. ELIGIBILITY FACTORS

1. An applicant head of household or spouse is at least eighteen (18) years of age or is an emancipated minor under California State law.

a. An applicant must be a "family" as defined under Chapter 4, Section B.
b. An applicant must be within the appropriate income limits.
c. An applicant must furnish Social Security numbers for all family members age six and older who have a Social Security number.
d. An applicant must furnish declaration of citizenship or eligible immigrant status and verification as required.
e. An applicant must furnish a birth certificate, United States passport or naturalization certificate for all family members declared to be U.S. citizens
f. At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the HACN may provide any financial assistance.

B. FAMILY COMPOSITION [24 CFR 982.201(C)]

1. The applicant must qualify as a family. A family may be a single person or a group of persons. A family can be defined as any of the following:

a. a family with or without a minor child or children
b. a group of persons consisting of two or more elderly persons or disabled persons living together
c. one or more elderly or disabled persons living with one or more live-in aides
d. a single displaced person
e. a single person who is elderly or disabled
f. any other single person
g. a child who is temporarily away from home because of placement in foster care
h. Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence

2. Head of Household - The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law will be recognized as head of household.

3. Spouse - Spouse is defined as the husband or wife of the head of household, boyfriends, girlfriends, significant others, or co–heads.

For proper application of the non-citizen rule, the definition of spouse is the marriage partner who, in order to dissolve the relationship would have to obtain a divorce. The term “spouse” does not apply to boyfriends, girlfriends, significant others, or co–head in a household that included a non-citizen.

4. Co-Head - A co-head of household is an individual in the household who is equally responsible for the rental agreement or lease with the head of household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

C. LIVE-IN AIDES/ATTENDANTS

1. A family may include a live-in aide provided that such live-in aide:
   a. is determined by the HACN to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with disabilities; and
   b. is not obligated for the support of the person(s); and
   c. Would not be living in the unit except to provide care for the person(s).

2. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits. Live-in aides are not subject to non-citizen rule requirements. Live-in aides may not be considered as a remaining member of the tenant family. Relatives are not automatically excluded from being live-in aides, but they must meet the live-in aide definition described above.

3. A live-in aide may only reside in the unit with the prior approval of the HACN and with written verification from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is essential for the care of the family member who is elderly, near-elderly (fifty to sixty–one [50-61] years of age), or disabled.

4. The HACN will approve a live-in aide as a reasonable accommodation to ensure the program is accessible to and usable by the family member with a disability. At any time, the HACN may refuse to approve a particular person as a live-in aide or may withdraw such approval if:
   a. the person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program; or
   b. the person commits drug-related criminal activity or violent criminal activity; or
   c. the person currently owes rent or other amounts to the HACN or to another HACN in connection with Section 8 or public housing assistance under the 1937 Act.

D. OTHER CIRCUMSTANCES AFFECTING FAMILY COMPOSITION

1. Split family - When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the HACN will make the decision taking into consideration the following documented factors:
   a. which family unit retains the children or any disabled or elderly members;
   b. role of domestic violence in the split;
   c. which family unit has the lesser of the two incomes;
   d. any current or prior agreements between the two family units;
   e. any recommendations from social service agencies or qualified professionals such as Children's Protective Services.

2. Multiple Families in the Same Household - When families consist of two families living together and apply as a family unit, they will be treated as one family unit.

3. Joint Custody of Dependents – In families where dependents are subject to a joint custody agreement, and live with each parent at least fifty percent (50%) of the time, only one family will be able to claim each dependent as a member of the household for purposes of the voucher size. If there is a dispute about which family should claim then, HACN will make the determination based on available documents such as court orders, an IRS return showing which family has claimed the child for income tax purposes, or documentation as to where the dependent attends school.

4. Continuously Assisted Family - An applicant family will be considered continuously assisted when the family has received assistance under any 1937 Housing Act program within the past ninety (90) days at the time the family is admitted to the Housing Choice Voucher program.

E. INCOME LIMITATIONS [24 CFR 982.201(B), 982.353]

1. At the time the family initially receives assistance under the Section 8 program the family shall be a low-income family defined as:

a. a very low-income family has income that does not exceed fifty percent (50%) of the area median income;
b. a low-income family which has been continuously assisted under the 1937 Housing Act;
c. a low-income family that is physically displaced by rental rehabilitation activity under 24 CFR part 511;
d. a low or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing;
e. a low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project.

F. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Families are required to disclose and provide documentation of Social Security numbers for all family members with the exception of those individuals who do not contend to have eligible immigration status.. Citizens and lawfully present noncitizens who state that they have not been assigned a SSN by the SSA will be required to sign a declaration attesting to this. The Housing Authority will deny the eligibility of an assistance applicant if each member of the household required to disclose a SSN does not disclose and/or provide documentation of such SSN. However, if the family is otherwise eligible to participate in the program, the family will maintain its position on the waiting list for sixty days pending disclosure of the requested information. When a participant requests to add a new household member who has an assigned SSN, the family must disclose and provide documentation to the Housing Authority. If the family is unable to provide the required documentation of the SSN, the Housing Authority will not add the new household member until the family provides such documentation. When a

participant requests to add a new household member, who is under the age of six and does not have an assigned Social Security number, the participant must disclose the assigned SSN and provide the Housing Authority with the required documentation within 90 calendar days of the child being added to the household.

G. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR PART 5, SUBPART E]

1. In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. For the citizenship/eligible immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

2. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated based on eligible family members and that they may request a hearing if they contest this determination.

3. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

4. It is the policy of the HACN not to provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

H. CRITERIA FOR DENIAL OF ADMISSIONS [24 CFR 982.552(B)]

1. The HACN will deny admission to the program for an applicant, if any member of the family fails to sign and submit consent forms required by HUD and/or the HACN, including Form HUD-9886.

2. The HACN will deny assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in (24 CFR 5.612).

3. A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing in the last five (5) years.

4. A family will be denied assistance for a two (2) year period from the occurrence if any family member has violated the family obligations under (24 CFR 982.551) by engaging in any drug-related or violent criminal activity. The only exceptions to this will be for persons currently in recovery from substance abuse problems who must have been drug free and sober for a minimum period of the last thirteen months and be

involved in an ongoing and verifiable program of treatment and support or provide a certificate of completion from a recognized treatment program.
5. It is a policy of the HACN that the application may be denied if the family has violated any family obligation during previous participation in a Section 8 program for five (5) years prior to final eligibility determination. The HACN will make an exception, if the family member who violated the family obligation is not a current member of the household on the application and there is evidence that they will not reside with the family in the future.

6. The family must pay any outstanding debt owed the HACN or another Public Housing Authority as a result of prior participation in any federal housing program within thirty (30) days of HACN notice to repay or will be denied assistance.

I. TENANT SCREENING [24 CFR 982.307]

1. The HACN will not screen family behavior or suitability for tenancy. The HACN will not be liable or responsible to the Owner or other persons for the family's conduct in tenancy.

2. The Owner is responsible for screening and selection of the family to occupy the Owner's unit. At or before HACN approval of the tenancy, the HACN will inform the Owner that screening and selection for tenancy is the responsibility of the Owner. The HACN will give the Owner the family's current and prior address as shown in the HACN's records, the name and address (if known by the HACN) of the landlord at the family's current and prior address; and information known to the HACN about damages caused by the tenant, lease violations, or unpaid rent.

J. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review. The family would be eligible for an informal hearing only if they were denied assistance due to non-citizen status.

CHAPTER 5. ESTABLISHING PREFERENCES AND SELECTING APPLICANTS FOR THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

A. WAITING LIST [24 CFR 982.204]

The HACN uses a single waiting list for admission to its Section 8 tenant-based rental assistance programs. Except for Special Admissions, applicants will be selected from the HACN waiting list in accordance with policies, preferences, and income targeting requirements defined in this Administrative Plan. The HACN will maintain applicant information that permits proper selection from the waiting list.

1. The waiting list contains the following information for each applicant listed:
   a. applicant name
   b. date and time of application
   c. disability status
   d. qualification for any local preference
   e. racial or ethnic designation of the head of household
   f. gender
   g. family unit size

B. SPECIAL ADMISSIONS [24 CFR 982.54(D) (E), 982.203]

1. Special Admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the waiting list. The HACN maintains separate records of these admissions. Applicants who are admitted under Special Admissions are identified by codes in the automated system and are not maintained on separate waiting lists.

2. The HACN receives a HUD award of program funding that is targeted for specifically named families, the HACN will admit these families under a Special Admissions procedure.

3. The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:
   a. a family displaced because of demolition or disposition of a public or Indian housing project;
   b. a family residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project;
   c. a family living in housing covered by the Low Income Housing Preservation and the Resident Home-Ownership Act of 1990;
   d. a family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; or
   e. a non-purchasing family residing in a HOPE 1 or HOPE 2 project.

C. WAITING LIST PREFERENCES [24 CFR 982.207]

1. All applicants will be selected for the waiting list based upon meeting the HACN local preferences. The date and time of application will be utilized to determine the sequence within the prescribed preferences.

2. An applicant will not be granted any local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act program during the past five (5) years because of drug-related criminal activity. The HACN may grant an exception to such a family if the responsible member has successfully completed a rehabilitation program or the evicted person clearly did not participate in or know about the drug related activity.

3. If an applicant makes a false statement in order to qualify for a local preference, the HACN will deny admission to the program.

D. LOCAL PREFERENCES [24 CFR 982.207]

1. The HACN uses the following local preference system:
   a. federal disaster preference;
   b. date and time of receipt of a completed application;
   c. residency preference for families who live, work, or have been hired to work in Napa County
   d. veteran's preference defined as veterans or surviving spouses of veterans;
   e. families.
   f. limited preference for homeless persons who are referred by a partnering homeless service organization.

2. The HACN residency preference will not delay or deny admission to the program based upon race, color, ethnic origin, gender, religion, creed, national or ethnic origin, familial status, marital status, handicap, or disability, sexual orientation or age of any applicant family members.

3. The HACN residency preference will not be based on how long an applicant has resided, or worked in Napa County.

4. Singles Preference - Families with children, two or more elderly or disabled adults and single persons who are elderly, disabled, or displaced will be given a selection priority over other applicants. Individuals who are elderly or disabled will receive preference over non-elderly and non-disabled individuals. (24 CFR 100.80)

E. INCOME TARGETING [24 CFR 982.201(2)]

1. In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the HACN will reserve a minimum of seventy-five percent (75%) of its Section 8 new admissions for extremely low-income families, whose income does not exceed thirty percent (30%) of the area median income. The HACN will admit families who qualify under the extremely low-income limit to meet the income targeting

requirement, regardless of preference. The annual income (gross income) of a participant family is used for determination of income- eligibility.

2. If the family's verified annual income, at final eligibility determination, does not fall under the extremely low-income limit and the family was selected for income targeting purposes before families with a higher preference, the family will be returned to the waiting list with their original date and time.

3. The HACN's income targeting requirement does not apply to low-income families continuously assisted as provided for under the 1937 Housing Act and low-income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

F. DETERMINATION OF LOCAL PREFERENCE [24 CFR 982.207]

An applicant's certification that they qualify for a preference may be accepted without verification at the initial application with the exception of applicants claiming a veteran's preference. Applicants claiming a veteran's preference will be asked to provide written verification of veteran status. When the applicant is selected from the waiting list for the final determination of eligibility, preferences will be verified.

G. TARGETED FUNDING [24 CFR 982.203]

When HUD awards special funding for certain family types, families who qualify are not placed on the regular waiting list. Applicants who are admitted under targeted funding which are not identified as Special Admission applicants are identified by codes in the automated system. Applications will continue to be accepted for special purpose vouchers. These targeted programs require participating households be referred to the Housing Authority by the County and other participating social service agencies. Participation in the special purpose voucher programs is limited to households with special needs.

The HACN has the following "Targeted" Programs:

1. Veterans Affairs Supportive Housing (VASH)

The HUD-VASH program is a special allocation of housing choice vouchers for homeless veterans that is combined with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services at VA medical centers and community based outreach clinics. VA may also offer services on-site for projects which include VASH project based vouchers. VA VASH case managers refer VASH eligible individuals or families to the HACN for the issuance of vouchers.

2. Family Unification Program

Family Unification Program (FUP) vouchers are made available to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or the delay in the discharge of the child, or

children, to the family from out of home care. FUP vouchers will also be used for youths 18 to 21 years old who left foster care at age 16 or older and lack adequate housing.

The participants for the program are referred by Napa County Health & Human Services Agency Child Welfare Services who screens and ranks referrals from community agencies that currently provide case management services to the families.

The HACN will identify and ensure the certification of FUP-eligible families and/or FUP-eligible youth that are on the waiting list and ensure that the family and/or youth will maintain their original position on the waiting list after they are certified. The HACN will also place all FUP-eligible families and/or FUP-eligible youth that have been referred from the Child Welfare Services Division (CWS) of Napa County Health & Human Services Agency on the HACN waiting list in the order of first come, first served.

3. Mainstream Vouchers

Mainstream program vouchers enable families having a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

The HACN administers thirty (30) Mainstream vouchers for qualifying participants. Community agencies that have referred clients to this program will provide ongoing case management as needed.

4. Homeless Admissions Preference

The HACN administers a limited homeless preference of 15 (fifteen) Housing Choice Vouchers. The preference is limited to 15 (fifteen) Housing Choice Vouchers and the preference is restricted to referrals from a partnering homeless service agency.

The HACN will prioritize households in two ways. First, when appropriate support services are available for clients, the HACN will prioritize households that are assessed as being the highest need for permanent supportive housing using the Vulnerability Index Service Prioritization Assessment Tool (VI-SPDAT). The VI-SPDAT is the community adopted housing assessment tool for the Continuum of Care coordinated entry system. Referrals to the HACN for Housing Choice Vouchers will come directly from the coordinated entry system. Secondly, the HACN will prioritize for households who are currently living in permanent supportive housing but who no longer need intensive case management, the HACN will transition permanent supportive housing households onto Housing Choice Vouchers only when

a) households have appropriate supports to succeed in less service intensive housing and

b) turnover permanent supportive housing units are then targeted to households prioritized through the coordinated entry system.

The HACN will allow the partnering homeless service agency to verify the individual or family meets the preference qualification and the agency will verify the preference qualification before the individual or family is referred to the HACN.

H. ORDER OF SELECTION [24 CFR 982.207(E)]

1. Local Preferences - Local preferences will be used to select families from the waiting list. Each preference will receive an allocation of points. The more preference points an applicant has, the higher the applicant's place on the waiting list. Among applicants with equal preference status, the waiting list will be organized by date and time.

2. The HACN has selected the following system to apply local preferences:

CATEGORY	POINTS
Veterans	= 1 point
Federal Disaster	= 20 points
Residency	= 10 points
Family (with children/elderly/disabled individuals)	= 15 points
Single non-elderly, non-disabled person	= 0 points

3. Final Verification of Preference - Preference information on applications will be updated as applicants are selected from the waiting list. At that time, the HACN will obtain updated verifications of preference at the interview and by third party verification.

4. Preference Denial [24 CFR 982.207] - If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be notified in writing within ten (10) days of the date that the preference has been denied. The HACN will offer the applicant a meeting to discuss the preference denial before the applicant is returned to the waiting list without the local preference. The difference between a meeting and a review or hearing is that the meeting can be conducted by the person who decided that the preference was denied.

I. REMOVAL FROM WAITING LIST [24 CFR 982.204(C)]

1. The HACN waiting list may be purged not more than one time each year by a mailing to all applicants , or at the HACN'S option, to all applicants who have been on the waiting list more than three years, to ensure that the waiting list is current and accurate. The mailing will request confirmation of continued interest. Mailings to the applicant that require a response will state that failure to respond within thirty (30) days from the date of the letter will result in the applicant's name being dropped from the waiting list.

If the applicant fails to respond within (30) thirty calendar days, a second notice will be sent to the applicant allowing a grace period of (30) additional days. Any applicant who responds during this grace period will be reinstated on the waiting list to their original date and time of application. Failure to respond to the second notice will result in an applicant's name being removed from the waitlist.

2. The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to the HACN request for information or updates because of a claim of a family member's disability, the HACN may reinstate the applicant in the family's former position on the waiting list when written documentation is provided verifying the claim.

3. If a letter is returned to the HACN by the Post Office without a forwarding address, the applicant will be removed without further notice and the envelope and letter will be maintained in the applicant's file.

4. If an applicant is removed from the waiting list for failure to respond, the HACN may reinstate the applicant if the HACN determines the lack of response was due to HACN error, or to circumstances beyond the applicant's control.

J. APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.204]

1. Applicants are required to provide written notification to the HACN of changes in address or any other change in circumstances. Applicants are also required to respond to requests from the HACN to update information on their waiting list information and to determine their continued interest in assistance. Failure to respond to update requests within the time period specified on the request will result in the removal of the applicant from the waiting list.

2. If, after a review of the initial application, the family is determined to be preliminarily eligible, they will be placed on the waiting list. If, after a review of the initial application, the family is determined to be ineligible, the HACN will notify the family in writing (in accessible format upon request as a reasonable accommodation), state the reason(s), and inform the family of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation.

K. TIME OF SELECTION [24 CFR 982.204]

1. When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, or family unit size (subject to income targeting requirements). When funding is insufficient for the family at the top of the list, the HACN will not admit any other applicant until funding is available for the first applicant.

2. Families will be notified by letter when their name comes to the top of the waiting list and funding is available. If they are unable to attend the application interview due to a disability, HACN will make reasonable accommodations.

3. After the verification process is completed, the HACN will make a final determination of eligibility. If the family is determined to be eligible, a briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

CHAPTER 6. VOUCHER ISSUANCE
[24 CFR 982.204(d)]

The HACN may over-issue vouchers only to the extent necessary to meet leasing goals. If the HACN finds it is over-leased, it will adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the current fiscal year.

The HACN will determine whether an applicant is eligible within the period of sixty (60) days before the voucher is issued to the applicant.

A. APPLICATION PROCESS

1. The applicants' head of household must participate in a full application interview with a HACN representative., The full application may be conducted by mail and/or in the applicant's home if requested as a reasonable accommodation to a person with a disability. If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing within fourteen (14) days (in an accessible format upon request as a reasonable accommodation), and offered an opportunity to request an informal review.

2. Adult family members will be required to sign HUD 9886 Release of Information Privacy Act form; the declarations and consents related to citizenship/immigration status; and a consent form to release criminal conviction records. Failure to do so will be cause for denial of the application.

3. If the HACN determines at or after the interview that additional information or document(s) are needed, the HACN will request the document(s) or information in writing. The family will be given fourteen (14) calendar days from the date of the request to supply the information. If the information is not supplied in this time period, the HACN will provide the family a notification of denial for assistance.

B. BRIEFINGS [24 CFR 982.301]

1. Initial Applicant Briefing - A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups or individually. The HACN will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. The HACN will conduct individual briefings in the applicant's home for families with disabilities upon request as a reasonable accommodation.

2. Briefing Information [24 CFR 982.301(b)] - The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The HACN also includes other information and/or materials which are not required by HUD. See Appendix VII for a list of information and materials included in the briefing packet.

3. The HACN has prepared maps that show various areas with housing opportunities outside areas of poverty or minority concentration both within its jurisdiction and

neighboring its jurisdiction. Additionally, the HACN has assembled information about the characteristics of those areas which may include information about job opportunities, schools, transportation and other services in these areas; and uses the maps and area characteristics information when briefing rental voucher holders about the full range of areas where they may look for housing.

C. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

1. The Owner may collect a security deposit from the tenant. Security deposits charged by Owners may not exceed those charged to unassisted tenants or the maximum prescribed by State or local law.

2. The Owner must give the tenant a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the Owner, the Owner must refund promptly the full amount of the unused balance to the tenant in accordance with State and local law.

3. For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the Owner should settle the issue with the tenant prior to the beginning of assistance.

D. TERM OF VOUCHER [24 CFR 982.303, 982.54(D)]

1. During the briefing session, each household will be issued a voucher, which represents a contractual agreement between the HACN and the family and specifies the rights and responsibilities of each party. Admission to the program occurs when the rental agreement/lease and Housing Assistance Payment Contract become effective.

2. Expirations - The voucher is valid for a period of 120 calendar days from the date of issuance. The family must submit a Request for Tenancy Approval form to the HACN within the 120 day period unless an extension has been granted by the HACN.

If the voucher has expired and has not been extended by the HACN, or expires after an extension, the family will be denied assistance. The family will not be entitled to a current review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted rental agreement/lease and contract in effect and the Owner agrees.

3. Suspension of Term - The period of suspension is from the time when the Request for Tenancy Approval form is received until the date the HACN notifies the family in writing whether the request has been approved or denied. If the Request for Tenancy is not approved, the HACN will add the days of the suspension to the remaining time left on the voucher to look for another unit.

4. Extensions - All requests for extensions must be received in writing prior to the expiration date of the voucher. One thirty (30) day extension will be granted for a total of one hundred- fifty (150) days.

The HACN will extend the term for an additional period if the family needs and requests an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability, in (60) day increments for said reasonable accommodation. The request for a reasonable accommodation may be made verbally or in writing. The reasonable accommodation request will require supporting documentation from a professional competent to render the opinion and knowledgeable about the persons situation.

5. Recalling - In the event HACN determines there is insufficient funding available to enter into additional HAP contracts, HACN may recall vouchers issued to applicants from the Section 8 waiting list that have not yet been utilized. If the HACN is not assisting the required number of special purpose vouchers (non-elderly disabled/NED families and Family Unification Program/FUP families), when it resumes issuing vouchers, the HACN will issue vouchers first to these special purpose voucher categories of families on the waiting list until the HACN is assisting the required number of special purpose vouchers.

In the event HACN determines funding remains insufficient after recalling outstanding applicant vouchers, HACN may terminate HAP contracts for program participants. Participants who have had their vouchers recalled and HAP contracts terminated will be placed at the top of the Housing Choice Voucher waiting list.

Applicants who have had their vouchers recalled will be returned to the Housing Choice Voucher (HCV) waiting list in the order recalled. Terminated participants in the category listed above will have first preference on the waiting list.

6. Family Unification Program Policy - For families under the Family Unification Program, voucher size will be determined by the number of household members expected to reside in the unit when unification is complete. The family composition will be determined by the referring agency and the initial Housing Authority application process. The family composition may be reviewed at six month intervals to determine household composition. At the six month review and/or annual recertification, the voucher size will be determined by family members residing in the unit at the time of the review or recertification.

E. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS [24 CFR 982.315]

1. When two otherwise eligible families separate due to divorce, legal separation, or the division of the family, and the new families cannot agree which new family unit should continue to receive the assistance, and there is no determination by a court, the following factors will determine which of the families will continue to be assisted:

a. which of the two (2) new family units has custody of dependent children;

b. which family member was the head of household when the voucher was initially issued;
c. the composition of the new family units, and which unit contains elderly or disabled members;
d. whether domestic violence was involved in the separation;
e. which family members remain in the unit; and
f. the recommendation of social service professionals.

2. To be considered the remaining member of the tenant family, the person must have been previously approved by the HACN to be living in the unit.

3. A live-in aide, by definition, is not a member of the family and will not be considered a remaining member of the tenant family.

4. A reduction in family size may require a reduction in the voucher family unit size.

CHAPTER 7. SUBSIDY STANDARDS
[24 CFR 982.54(d)(9)]

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE

1. The HACN does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom listed on the voucher. The voucher will specify the smallest number of bedrooms appropriate for the family taking into consideration the avoidance of overcrowding and compliance with Housing Quality Standards. The HACN's subsidy standard for determining voucher size is consistent for all families. The unit size on the voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

2. Generally, the HACN assigns Voucher size within the following guidelines:

a. Two persons per bedroom regardless of sex or age
b. foster children will be included in determining voucher size;
c. live-in aides will generally be provided a separate bedroom;
d. no additional bedrooms are provided for the aide's family;
e. single parents with a child under the age of two (2) will be allocated one (1) bedroom;
f. Single parent with a child over the age of two years will generally be assigned a two bedroom voucher
g. single person families will be allocated one (1) bedroom;
h. a family that consists of a pregnant woman (with no other persons) will be treated as a two-person family;
i. single non related adults living together as a family will generally be provided separate bedrooms

B. GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
1 Bedroom	1	4
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	5	12
6 Bedrooms	6	14

C. EXCEPTIONS TO SUBSIDY STANDARDS [24 CFR 982.403(A) & (B)]

1. The HACN will grant exceptions from the subsidy standards if the family requests and the HACN determines that the exceptions are justified by the relationship, age, gender, health or disability of family members, or other individual circumstances. The HACN will grant an exception upon request as an accommodation for persons with disabilities.

Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a verified medical or health reason, or if an elderly person or persons with disabilities requires a live-in aide. A family may request in writing a larger sized voucher than indicated by the HACN's subsidy standards. The request must explain and document the justification for a larger bedroom. Documentation verifying the justification may be required. Requests based on health related reasons must be verified by a knowledgeable medical professional.

2. Changes for Participants - The members of the family residing in the unit must be approved by the HACN. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody of a child, in which case the family must inform the HACN within fourteen (14) calendar days of the addition to the family.

3. Under-housed and Over-housed Families - If a unit does not meet HQS space standards due to an increase in family size, the HACN will issue a new voucher of the appropriate size and assist the family in locating a suitable unit. When an appropriate sized unit is found by the family, HACN will terminate the current HAP contract in accordance with its terms.

D. UNIT SIZE SELECTED [24 CFR 982.402(C)

1. If the family selects a different sized dwelling unit than that listed on the voucher, there are three criteria considered:

a. The family unit size as determined for a family under the HACN subsidy standard for a family assisted in the voucher program is based on the HACN's adopted payment standards. The payment standard for a family will be the lower of:
    1) the payment standard amount for the family unit size; or
    2) the payment standard amount for the unit size rented by the family.
b. The utility allowance is determined by the lower of
    1) the size of the unit the family leases or
    2) the size on the family's voucher.
c. Housing Quality Standards allow two persons per living/sleeping room and permits maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room other than a bedroom or living room is used for sleeping.

E. HQS GUIDELINES FOR UNIT SIZE SELECTED

Unit Size	Maximum Number in Household
0 Bedroom	2
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

CHAPTER 8. TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

A. INCOME AND ALLOWANCES [24 CFR 5.609]

1. Income - Income includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment (TTP), HUD defines what is calculated and what is excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

2. Annual Income - Annual Income is defined as the gross amount of income anticipated to be received by the family during the twelve (12) months after certification or recertification. Gross income is the amount of anticipated income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual Income is used to determine if applicants are within the applicable program income limits.

3. Adjusted Income - Adjusted Income is defined as annual income less any HUD allowable expenses and deductions. HUD allows the following deductions from annual income:

a. Dependent Allowance: $480 each for family members (other than the head or spouse) who are minors, and for family members who are eighteen (18) and older who are full-time students or who are disabled;
b. Elderly/Disabled Allowance: $400 per family for families whose head or spouse is sixty–two (62) or over or disabled;
c. Allowable Medical Expenses: Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income. The medical expense deduction is permitted only for families in which the head, spouse, or co head is at least 62 years of age or is a person with disabilities. The most current IRS Publication 502, Medical and Dental Expenses, will be used to determine the costs that qualify as medical expenses.
d. Child Care Expenses: The amount of child care paid for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

B. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617; 982.201(B) (3)]

1. Disallowance of Annual Income

a. Initial twelve month exclusion - During the cumulative twelve month period beginning on the date a disabled family member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the HACN will exclude from annual income of a qualified family any increase in income of the disabled family member as a result of employment over prior income of that family member.

b. Second twelve month exclusion and phase-in - During the second cumulative twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the HACN will exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.
c. Maximum four year disallowance - The disallowance of increased income of an individual disabled family member is limited to a lifetime forty-eight (48) month period.

2. A disabled family qualifies for the earned income exclusion if a disabled family is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and the family's

a. annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one (1) or more years prior to employment; or
b. annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
c. annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six (6) months after receiving assistance, benefits or services under any State program for TANF, provided that the total amount over a (6) six-month period is at least $500.

C. MINIMUM RENT [24 CFR 5.616]

1. "Minimum rent" is $50.00. Minimum rent refers to the Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

2. Criteria for Hardship Exception [24 CFR 5.630] - In order for a family to qualify for a hardship exception, the family's circumstances must fall under one of the following HUD hardship criteria:

a. 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 non-citizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits except for Title IV of the Personal Responsibility and Work Opportunity 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 circumstances, including loss of employment, death in the family, or other circumstances as determined by the HACN or HUD;
d. other circumstances determined by HUD or the HACN.

3. Notification to Families of Right to Hardship Exception - The HACN will provide written notification to all families subject to minimum rents of their right to request a minimum rent hardship exception. All requests for minimum rent hardship exceptions are required to be in writing. The HACN notification will advise families that hardship exception determinations are subject to HACN review and hearing procedures.

4. Suspension of Minimum Rent - The HACN will grant the minimum rent exception to all families who request it, effective the first of the following month of the request. The minimum rent will be suspended until the HACN determines whether the hardship is covered by statute and is temporary or long term. "Suspension" means that the HACN will not use the minimum rent calculation until the HACN has made this decision. During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly. If the HACN determines that the minimum rent is not eligible under HUD regulations, the HACN will require a repayment for minimum rent during the time of suspension period.

5. Temporary Hardship - If the HACN determines that the hardship is temporary, a minimum rent will be suspended for a period of up to ninety (90) days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension. The HACN will offer the family a reasonable payment agreement. The HACN may not terminate assistance to the family for non-payment of minimum rent during the ninety (90) day period beginning the month after the request of hardship exemption.

6. Long-Term Duration Hardships [24 CFR 5.616(c) (3)] - If the HACN determines that there is a qualifying long-term financial hardship, the HACN will exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent will apply from the first day of the month following the family's request for exemption.

7. Retroactive Determination - The HACN will reimburse the family for any minimum rent charges in effect after October 21, 1998 if the family qualified for one of the hardship exceptions. If the family is owed a retroactive payment, the HACN will provide reimbursement in the form of a cash refund to the family within fourteen (14) days of the determination that the family is owed a retroactive payment.

CHAPTER 9. FAMILY ABSENCE FROM OR ADDITIONS TO SUBSIDIZED UNIT

[24 CFR 982.54(d)(10), 982.551]

A. INCOME CONSIDERATIONS

1. The HACN will count all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the HACN will count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

2. Income of persons permanently absent from the household will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay as defined by HUD) is counted as income.

B. REASONS FOR ABSENCE OF FAMILY MEMBERS

1. Absence Due to Medical Reasons - If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HACN will obtain verification from a reliable qualified source as to the likelihood and timing of their return to the household. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than one hundred eighty (180) consecutive days from the date the family member left the household, the family member will not be considered permanently absent.

2. Absence Due to Full-time Student Status - Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

3. Absence Due to Incarceration - If the sole member of the household is incarcerated for more than ninety (90) consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for three (3) consecutive months or one hundred eighty (180) days in a twelve (12) month period. The HACN will determine if the reason for incarceration is for drug-related or violent criminal activity.

4. Absence of Children due to Placement in Foster Care - If the family includes a child or children temporarily absent from the home due to placement in foster care, the HACN will obtain verification from the appropriate agency as to the timing of the children's return to the household.

If the time period is to be greater than twelve (12) of months from the date of removal of the child/ren, the voucher size will be reduced and the children's absence will be considered permanent. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the HACN's subsidy standards.

C. OTHER CONSIDERATIONS OF FAMILY ABSENCES/ADDITIONS

1. Absence of Entire Family - HUD regulations require the HACN to terminate assistance if the entire family is absent from the unit for a period of more than one hundred-eighty (180) consecutive calendar days. "Absent" means that no family member is residing in the unit.

Families are required both to notify the HACN before they move out of a unit and to give the HACN information about any family absence from the unit within fourteen (14) days of the absence. If the entire family is absent from the assisted unit for more than ninety (90) consecutive days, the unit will be considered to be vacated and the assistance will be terminated. If a family is reported absent from the unit, the HACN will verify the absence before termination.

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed one hundred eighty (180) consecutive calendar days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the HACN can verify that the person was unable to notify the HACN in accordance with the family's responsibilities, and if funding is available, the HACN may reinstate the family as an accommodation if requested by the family, as long as the period of absence was one hundred eighty (180) days or less.

2. Caretaker for Children - If neither parent remains in the household, and the appropriate agency has determined that another adult is to reside in the assisted unit as a caretaker for the children for an indefinite period, the HACN will treat that adult as a visitor for the first ninety (90) days. If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker or the custody status of the children, the HACN will review the status at ninety (90) day intervals. The HACN may transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than six (6) months and it is reasonable to expect that custody will be granted. When the HACN approves a person to reside in the unit as caretaker for the child/ren, the income of the caretaker will be counted pending a final disposition.

3. Visitors - Any adult not included on the HUD 50058 who has been in the unit more than thirty (30) consecutive days without HACN approval, or a total of thirty (30) days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the HACN will terminate assistance if prior approval was not requested for the additional members of the household.

Minors and college students who were part of the family but who now live away from home during the school year, and are no longer on the lease, may visit for up to thirty (30) days per year without being considered an unauthorized person by the HACN.

In a joint custody arrangement, if the minor is in the household less than one hundred eighty (180) days per year, the minor will be considered to be an eligible visitor and not a family member. Children who spend every weekend and all school vacations in the home will be considered permanent members of the household.

4. Reporting Additions to Owner and HACN - The family obligations require the family to request HACN approval to add any family member as an occupant of the unit and to inform the HACN of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If the family does not obtain prior written approval from the HACN, any person the family has permitted to move into the household will be considered an unauthorized household member. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

Children may only be added to a household through birth, adoption, court awarded custody, or if they are placed in the home by a child welfare agency such as Napa County Health and Human Services.

The HACN may allow additional adults to be added but will not increase the size of the family's voucher as a result of the addition. If adding an additional person would result in the family being overcrowded, the request will be denied. If an additional family member is approved, and the family is subsequently served a termination notice by the landlord for reasons that do not include violations of the voucher program or violations of the lease, the HACN will reissue the family voucher based on its subsidy standards.

Live in aides will be allocated their own bedroom and foster children, when added, will be approved for an extra bedroom if the size of the family warrants it. The approval of an additional bedroom for foster children is conditional on the family having foster children in their home at least 50% of the year.

Live in aides will be required to comply with the Napa County Caregiver Ordinance that requires individual caregivers to pass a background check and obtain an annual permit before working as a caregiver in someone's home. A person will not be approved as a live in aide until they have met this requirement.

5. Reporting Absences to the HACN - If a family member leaves the household, the family must report this change to the HACN, in writing, within fourteen (14) calendar days of the change and report whether the member is temporarily absent or permanently absent. Any member of the household will be considered permanently absent if s/he is away from the unit for three (3) consecutive months or one hundred eighty (180) days in a twelve (12) month period. If a member of the household is subject to a court order that restricts him/her from the home for more than three (3) months, the person will be considered permanently absent. If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated.

CHAPTER 10. POLICIES FOR TREATMENT OF INCOME

A. TREATMENT OF INCOME

1. When the HACN cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, fluctuating income or suspected fraud) the HACN will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish income. Historical data such as tax returns or year to date totals may be used to anticipate income. Clients may submit, and the HACN, will consider, justification for not basing income projections on history. For new employment, the HACN may use a low estimate and reevaluate in three months.

2. The HACN will exclude the income of the person permanently confined to a nursing home and give the family no deductions for medical expenses of the confined family member.

3. Regular contributions and gifts received from persons outside the household are counted as income.

4. Regular alimony and child support payments are counted as income.

5. Lump-sum additions to family assets, such as inheritances, insurance payments, capital gains, and settlements for personal or property losses, are not included in income but may be included in assets.

6. Lump-sum payments caused by delays in processing periodic payments or disputes such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security and SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments that have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

7. Contributions to company retirement/pension funds are handled as follows:
   a. While an individual is employed, only the amount of contributions the family can withdraw without retiring or terminating employment is treated as an asset;
   b. After retirement or termination of employment, any amount the employee elects to receive as a lump sum is treated as income.

8. The HACN will count assets disposed of for less than fair market value during the two (2) years preceding certification or reexamination.

9. Childcare expenses for children under thirteen (13) in the household will be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment. In the case of a child attending private school, only care during non-school hours can be counted as childcare expenses. Childcare expenses will not be allowed as a deduction if there is an adult household member who is capable of caring for the child and can provide the child care.

10. Pro-rating of assistance will be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members. Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying that amount by the percent of the eligible family members.

B. INCOME CHANGES RESULTING FROM WELFARE REQUIREMENTS

1. The HACN will reduce the tenant's contribution if:
   a. a reduction in the welfare assistance is a result of the expiration of a lifetime time limit on receiving benefits; or
   b. a family member has not complied with other welfare agency regulations or requirements; or
   c. a situation where a family member has complied with a welfare agency's economic self-sufficiency or work activity requirements but cannot or has not obtained employment and the family loses their welfare benefits as a result.

2. Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution. Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction. The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

3. Verification before Reducing Rent – A family's request for rent reduction will be denied if the HACN obtains written verification from the participant or the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activity requirements

C. FULL TIME STUDENTS

1. Full time students must declare income from financial aid, including scholarships, in addition to declaring income from employment and any other source. Students must declare all anticipated financial support from parents and guardians. Financial aid income, income from scholarships, and any other source specifically available for housing, will be considered income when calculating the Section 8 subsidy.

2. For admission to the Housing Choice Voucher program, full-time college students must not be claimed as a dependent by parent(s) or legal guardian(s) on their Internal Revenue Services (IRS) tax return.

3. Full time students will be required to report and provide written verification of changes in student status within fourteen (14) calendar days of the change. At annual recertification, students who claimed full-time status, but did not maintain full-time student status will be required to reimburse the Housing Authority for any overpaid HAP due to earnings during the period they were not full-time students.

D. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT POLICY

1. The HACN's utility allowance covers the cost of utilities not included in the rent. It is not based upon actual usage by the family.

2. The utility allowance schedule is based on the typical cost of utilities and services paid by households that occupy housing of similar size and type in the same locality.

3. The HACN's utility allowance schedule, and the utility allowance for an individual family, includes the utilities and services that are necessary in the locality to provide housing that complies with Housing Quality Standards.

4. HACN will review the utility allowance schedule annually and it will revise the schedule if the utility rate has increased ten (10) percent or more since the last revision.

5. If the family provides their own range and/or refrigerator, HACN will establish an allowance allowing for the purchase or rent of each appliance. Allowances for ranges and refrigerators will be the cost of leasing or purchasing over a twelve month period, whichever cost is less.

6. If the HUD 50058 calculation results in a utility reimbursement, the HACN will provide a monthly utility reimbursement payment, on behalf of the family, to the utility company or to the owner if the owner pays the utility and subsequently bills the family.

7. At reexamination, the HACN will use the current utility allowance schedule.

8. A family's utility allowance is determined by the lower of the (1) size of the unit the family leases; or (2) the size on the family's voucher.

CHAPTER 11. VERIFICATION POLICIES AND PROCEDURES

A. VERIFICATION REQUIREMENTS

1. Age, relationship, U.S. citizenship, and Social Security numbers will generally be verified with documentation provided by the family. For citizenship, a copy of the person's birth certificate, United States passport or naturalization certificate will be required. Verification of these items will include photocopies of the Social Security cards and other documents presented by the family.

2. In order of priority, with six being the highest priority, the forms of verification that the HACN will use are:

6. Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (mandatory)

5. Up-front Income Verification (UIV) using a non-HUD system (optional)

4. Written Third-Party verification (provided by applicant or participant) (mandatory to supplement EIV reported income sources and when EIV has no data; Mandatory for non EIV reported income sources; mandatory when tenant disputes EIV reported employment and income information and is unable to provide acceptable documentation to support dispute)

3. Written Third-Party Verification Form (mandatory if written third party verification documents are not available or are rejected by the HACN; and when the applicant or tenant is unable to provide acceptable documentation)

2. Oral Third-Party Verification (mandatory if written third party verification is not available)

1. Tenant Declaration (use as a last resort when unable to obtain any type of third party verification)

HUD's Enterprise Income Verification (EIV) System (Mandatory)

The HACN will use HUD'S EIV system in its entirety to verify tenant employment and income information during mandatory reexaminations of family income and composition and to reduce administrative and subsidy payment errors.

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

Income reports will be compared to family provided information as part of the annual reexamination process. Income reports may be used in the calculation of annual income.

Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify and calculate income. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.
For each new admission or historical adjustment, the HACN will review the EIV Income Report to confirm/validate the family reported income within 120 days of the PIC submission date and print and maintain a copy of the EIV Income Report in the tenant file and resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

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

In order to ensure that the HACN is aware of potential subsidy payment errors, the HACN will monitor the following EIV reports on a monthly basis;

1. Deceased Tenants Report
2. Identity Verification Report
3. Immigration Report

In order to ensure the HACN is aware of potential subsidy payment errors, the HACN will monitor the following EIV reports on a quarterly basis:

1. Income Discrepancy Report
2. Multiple Subsidy Report
3. New Hires Report

The HACN will maintain and update the Debts owed to PHA's and Termination information on a monthly basis. If a current or former tenant disputes this information, s/he will be directed to contact the PHA (who reported the information) directly in writing to dispute this information and provide any documentation that supports the dispute. If the HACN determines that the disputed information is incorrect, the HACN will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the program.

The HACN will use the Existing Tenants Search as needed.

The HACN will maintain EIV printouts in the tenants file for the duration of tenancy and three years from the end of participation.

In accordance with the Federal Privacy Act EIV data of an adult household member will not be shared with another adult household member, unless the individual has provided written consent to disclose such information. However, the HACN is not prohibited from discussing with the head of household and showing the head of household how the household's income and rent were determined based on the total family income reported and verified.

3. Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form in addition to any authorization forms deemed necessary by the HACN.

B. ITEMS NEEDING VERIFICATION

1. HACN will require verification of the following:
   a) income not excluded by HUD regulations
   b) full-time student status, including high school students over eighteen (18) years of age
   c) child care expenses that allow an adult family member to be employed or further his/her education
   d) total medical expenses of all family members whose head or spouse is elderly or disabled
   e) expenses for attendant care or auxiliary apparatus which allows a disabled family member to be employed
   f) disability to determine preference, allowances, or deductions
   g) US citizenship/eligible immigrant status
   h) Social Security numbers for all family members over six years of age who have been issued Social Security numbers
   i) verification of Reduction in Benefits for Noncompliance from welfare agency
   j) zero income status
   k) assets in excess of $5,000

C. SOURCES OF INCOME NEEDING VERIFICATION

1. HACN will require verification of the following sources of income:
   a. employment income;
   b. pensions, Social Security, Supplementary Security, Disability;
   c. unemployment;
   d. welfare payments and General Assistance;
   e. alimony or child support payments;
   f. net business income;
   g. recurring gifts and contributions;
   h. income from assets, i.e., savings account interest, dividends, lump sum payments, or rental income;
   i. full-time student status income (only $480 of annual earned income will be counted);
   j. assets including those disposed of for less than fair market value in preceding two years.

D. VERIFICATION OF ALLOWABLE DEDUCTIONS

1. HACN will allow the following deductions with proper documentation:
   a. Child care expenses: verification from recipient of payments;
   b. Medical expenses:
      1) written verification by medical practitioner; or
      2) written confirmation by insurance company; or

3) written confirmation from Social Security Administration if the family member receives Medicare and verification of expenses paid.

c. Attendant care:
   1) certification of the need for an aide; and
   2) aide's written confirmation of hours of care provided.

d. Assistance to persons with disabilities:
   1) written certification from a medical professional that individual needs aide and/or auxiliary apparatus to permit him/her to be employed.

E. VERIFICATION OF NON – FINANCIAL FACTORS

1. The HACN will require written documentation of the following factors:
   a. all family members must provide verification of legal status;
   b. as a non-citizen rule, there must be verification of marriage, divorce, or legal separation;
   c. an adult member of a household who is reported as permanently absent;
   d. change in family composition;
   e. verification of a disability;
   f. verification of Social Security numbers;
   g. verification of residency; and
   h. verification of veteran's status.

F. VERIFICATION OF CITIZENSHIP/IMMIGRANT STATUS [24 CFR 5.508; 5.510; 5.512; 5.514]

1. The citizenship/eligible non-citizen status of each family member regardless of age will be determined. Prior to being admitted, or at the first reexamination, all citizens and non-citizens will be required to sign a declaration under penalty of perjury.

2. Prior to being admitted or at the first reexamination, all eligible non-citizens who are 62 years of age or older will be required to sign a declaration of eligible immigration status under penalty of perjury. They will also be required to show proof of age.

3. Prior to being admitted or at the first reexamination, all eligible non-citizens must sign a declaration of their status, a verification consent form, and provide their original Immigration and Naturalization Service (INS) documentation.

4. Any member of the household who fails to provide appropriate documentation will be listed as an ineligible member. If the entire family fails to provide and sign required document, the family may be denied or the family's assistance terminated.

CHAPTER 12. REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION PROCESS

[24 CFR 982.302, 982.305(b)(c)]

A. THE REQUEST FOR TENANCY APPROVAL (RFTA)

1. The Request for Tenancy Approval (RFTA) form and a copy of the proposed rental agreement or lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The form must be signed by both the Owner and voucher holder. HACN will not permit the family to submit more than one RFTA at a time.

2. Requirements for RFTA
   a. the unit is an eligible type of housing;
   b. the unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan);
   c. the rent is reasonable;
   d. the security deposit amount is in accordance with any limitations in this Plan;
   e. the proposed rental agreement complies with HUD and HACN requirements;
   f. the Owner meets the HACN's program requirements, and there are no conflicts of interest;
   g. at the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40 percent of the family's monthly adjusted income.

3. If the HACN determines that the request cannot be approved for any reason, the Owner and the family will be notified in writing within fourteen (14) days of the date that the request was not approved. The HACN will instruct the Owner and family of the steps that are necessary to approve the request. When, for any reason, a RFTA is not approved, the HACN will furnish another RFTA form to the family so that the family can continue to search for eligible housing.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]

1. The HACN will approve any of the following types of housing in the voucher program:
   a. all structure types can be utilized;
   b. manufactured homes where the tenant leases the home and the pad;
   c. manufactured homes where the tenant owns the home and rents or leases the pad;
   d. shared housing;
   e. single room occupancy;
   f. units owned (but not subsidized) by the HACN (following HUD-prescribed requirements).

C. RENTAL AGREEMENT/LEASE REVIEW [24 CFR 982.308 & 982.309]

1. The initial lease term may be for less than one year to improve the housing opportunities for the tenant and such shorter term is the prevailing local market practice.

2. The tenant must have the legal capacity to execute a rental agreement or lease under state and local law.

3. Responsibility for utilities, appliances, and optional services must correspond to the Request for Tenancy Approval.

4. The family and Owner must submit a standard form of lease or rental agreement used in the locality by the Owner that is generally used for other unassisted tenants in the premises. The terms and conditions of the rental agreement or lease must be consistent with state and local law.

5. The rental agreement or lease must specify:
   a. the names of the Owner and tenant; and
   b. the address of the unit rented (including apartment number, if any); and
   c. the amount of the monthly rent to Owner; and
   d. the utilities and appliances to be supplied by the Owner; and
   e. the utilities and appliances to be supplied by the family.

6. The lease must provide that drug-related criminal activity engaged in, on or near the premises by any tenant, household member, or guest, or such activity engaged in on the premises by any other person under the tenant's control, is grounds for the Owner to terminate tenancy.

7. The HUD prescribed Tenancy Addendum must be included in the rental agreement or lease word-for-word before the rental agreement or lease is executed.

8. House Rules of the Owner may be attached to the rental agreement or lease as an addendum, provided they are approved by the HACN to ensure they do not violate any fair housing provisions and do not conflict with the Tenancy Addendum.

9. All of the following must be completed before the beginning of the initial term of the rental agreement or lease for a unit:
   a. the HACN has inspected the unit and has determined that the unit satisfies HQS and has notified the Owner and family of the determination;
   b. the HACN has determined that the rent charged by the Owner is reasonable;
   c. the landlord and the tenant have executed the rental agreement or lease, including the HUD-prescribed Tenancy Addendum;
   d. the HACN has approved rental or leasing of the unit in accordance with program requirements;
   e. The Owner provides an employer identification number or Social Security number. Upon request, Owners must submit proof of ownership of the property, such as a grant deed or tax bill, and a copy of the management agreement if the property is managed by a management agent.

D. SEPARATE AGREEMENTS

1. Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the rental agreement or lease if the agreement is in writing and approved by the HACN. The family is not liable under the rental agreement or lease for unpaid charges for items covered by separate agreements. Nonpayment of these charges cannot be cause for eviction.

2. Any appliances, services, or other items which are routinely provided to unassisted families as part of the rental agreement or lease (such as air conditioning, dishwasher, or garage) or are permanently installed in the unit, cannot be included under a separate agreement and must be included in the rental agreement or lease.

3. If the family and Owner have come to a written agreement on the amount of allowable charges for a specific item or items, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

4. All agreements for special items or services must be attached to the rental agreement or lease approved by the HACN. If agreements are entered into at a later date they must be approved by the HACN and attached to the rental agreement or lease.

E. CHANGES IN LEASE OR RENT

1. If the tenant and the Owner agree to any changes in the lease, such changes must be in writing, and the Owner must give the HACN a copy of such changes at least sixty days (60) before any such changes go into effect, and any such changes will be subject to rent reasonableness requirements.

2. In the following cases, tenant-based assistance will not be continued unless the HACN has approved a new tenancy in accordance with HUD requirements and has executed a new HAP contract with the Owner:

a. if there are any changes in lease requirements governing tenant or Owner responsibilities for utilities or appliances;
b. if there are any changes in lease provisions governing the term of the lease;
c. if the family moves to a new unit, even if the unit is in the same building or complex.

F. RENT LIMITATIONS [24 CFR 982.507]

1. The HACN may not approve a lease until it is determined that the initial rent to Owner is reasonable. The HACN will re-determine the reasonableness of the rent:

a. before any increase in the rent to Owner; or
b. if there is a five (5) percent decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one (1) year before the contract anniversary; or
c. if directed by HUD;
d. or at any time.

2. At all times during the assisted tenancy, the rent to Owner may not exceed the reasonable rent as most recently determined or re-determined by the HACN.

3. By accepting each monthly housing assistance payment from the HACN, the Owner certifies that the rent to Owner does not exceed the rent charged by the Owner for comparable unassisted units in the premises. The Owner is required to provide the HACN with information requested on rents charged by the Owner in the premises or elsewhere in the jurisdiction of the HACN.

G. INFORMATION TO OWNERS [24 CFR 982.307(B), 982.54(D)(7)]

1. In accordance with HUD requirements, the HACN will furnish prospective Owners with the family's current address as shown in the HACN's records and, if known to the HACN, the name and address of the landlord at the family's current and prior address(es). HACN will notify the Owner if a preponderance of evidence shows that any household member is currently engaged or has been engaged in drug or violent criminal activity.

2. The HACN will inform Owners that it is the Owner's responsibility to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, credit history, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

H. EXECUTION OF CONTRACT

1. The term of the HAP contract begins on the first day of the lease term and ends on the last day of the lease term.

2. The HACN will strive to execute the HAP contract before the beginning of the lease term. The HAP contract will be executed no later than sixty (60) calendar days from the beginning of the lease term. The HACN will not pay any housing assistance payment to the Owner until the HAP contract and lease have been executed.

3. If the HAP contract is executed during the period of sixty (60) calendar days from the beginning of the lease term, the HACN will pay housing assistance payments after execution of the HAP contract for the portion of the lease term prior to the execution of the HAP contract up to a maximum of sixty (60) days. Any HAP contract executed after the sixty (60) day period is void, and the HACN will not pay any housing assistance payment to the Owner.

4. Unless their rental agreement or lease was effective prior to June 17, 1998, a family may not rent properties owned by a parent, child, grandparent, grandchild, sister, or brother of any family member. The HACN will waive this restriction as a reasonable accommodation for a family member with a disability.

I. ZERO DOLLAR ($0) ASSISTANCE TENANCIES [24 CFR 982.455]

The family may remain in the unit at zero dollar ($0) assistance for up to one hundred eighty (180) days after the last HAP payment. If the family is still in the unit after one hundred eighty (180) days, the HAP contract will be terminated. If, within the one hundred eighty (180) day timeframe, the unit's rent increases, or the Total Tenant Payment decreases and causes the family to be eligible for a housing assistance payment, the HACN will resume assistance payments for the family. In order for a family to move to another unit during the one hundred eighty (180) days, the rent for the new unit must be high enough to necessitate a housing assistance payment.

CHAPTER 13. FAMILY OBLIGATIONS

[24 CFR 982.551]

A. REPORTING OBLIGATIONS

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

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

3. The family must disclose and verify Social Security numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

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

B. HQS

1. The family is responsible for an HQS breach caused by the family as described in 982.404(b).

2. The family must allow the HACN to inspect the unit at reasonable times and after reasonable notice.

C. TENANT OBLIGATIONS

1. The family may not commit any serious or repeated violations of the lease.

2. The family must notify the Owner and, at the same time, notify the HACN before the family moves out of the unit or terminates the lease upon notice to the Owner. See 982.314 (d)

3. The family must promptly (within fourteen (14) days) give the HACN a copy of any Owner eviction notice.

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

5. The composition of the assisted family residing in the unit must be approved by the HACN. The family must promptly inform the HACN of the birth, adoption or court awarded custody of a child. The family must request HACN approval to add any other family member as an occupant of the unit. No other person (i.e. nobody but members of the assisted family) may reside in the unit (except for a foster child or live in aide as provided in paragraph 7 of this section).

6. The family must promptly notify the HACN if any family member no longer resides in the unit.

7. If the HACN has given approval, a foster child or a live in aide may reside in the unit. The HACN has the discretion to adopt reasonable policies concerning residence by a foster child or a live in aide, and defining when HACN consent may be given or denied.

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

9. Absence from unit. The family must supply any information or certification requested by the HACN to verify that the family is living in the unit, or relating to family absence from the unit, including any HACN requested information or certification on the purposes of family absences. The family must cooperate with the HACN for this purpose. The family must promptly notify the HACN of absence from the unit.

D. UNAUTHORIZED ACTIVITY

1. The family must not sublease or let the unit.

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

3. The family must not own or have any interest in the unit unless the family owns a mobile home and rents the pad.

4. Members of an assisted family may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

E. ILLEGAL ACTIVITY

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

2. The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. (See 982.553)

3. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

F. HOUSING AUTHORITY DISCRETION [24 CFR 982.552(C)]

1. In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HACN has discretion to consider all of the circumstances in each case, including the seriousness of the case. The HACN will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The HACN may also review the family's recent history and record of program compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

2. The HACN may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The HACN may permit the other members of a family to continue in the program.

G. ENFORCING FAMILY OBLIGATIONS

1. In each case of a breach of family obligations, the HACN will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent family members before determining denial or termination of assistance. Denial or termination of assistance is optional except where this Plan or the regulations state otherwise. The term "promptly" when used with the family obligations always means "within fourteen (14) calendar days."

2. Under HUD guidelines, at its discretion, the HACN may deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following grounds:

a. if any member of the family has been evicted from federally assisted housing in the last five years;
b. if HACN has ever terminated assistance under the program for any member of the family;
c. if any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
d. if the family currently owes rent or other amounts to the HACN or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;
e. if the family has not reimbursed the HACN for amounts paid to an Owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
f. if the family breaches an agreement with the HACN to pay amounts owed to HACN, or amounts paid to an Owner by a HACN. (The HACN may offer a family the opportunity to enter an agreement to pay amounts owed);
g. if a family participating in the Family Self-Sufficiency (FSS) Program fails to comply, without good cause, with the family's FSS contract of participation;
h. if a Welfare-to-Work (WTW) family fails, willfully and persistently, to fulfill its obligations under the Welfare-to-Work Voucher Program;
i. if any member of the household is shown by a preponderance of evidence to be currently engaged in or has engaged in during a reasonable (reasonable shall be determined to be two (2) years) time before admission: (see Appendix IV) 1) drug-related criminal activity; or

1) violent criminal activity; or
2) other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or
3) other criminal activity which may threaten the health or safety of the Owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HACN (including an HACN employee, contractor, subcontractor, or agent);

j. If the family has engaged in or threatens abusive or violent behavior toward HACN personnel.

3. HQS Breach - The HACN will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches.

4. Lease Violations - The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

a. if the Owner terminates tenancy through court action for serious or repeated violation of the lease;
b. if the Owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of the court action; and
c. if there are police reports, neighborhood complaints or other third party information that have been verified by the HACN.

5. Notification of Eviction - If the family requests assistance to move and they did not notify the HACN of an eviction, the move will be denied.

6. Family Member Moves Out - Families are required to notify the HACN if any family member leaves the assisted household. When the family notifies the HACN, they must furnish the following information:

a. the date the family member moved out;
b. the new address, if known, of the family member;
c. a statement as to whether the family member is temporarily or permanently absent**.**

7. Limitation on Profit-Making Activity in Unit - Members of the household may engage in legal profit making in the unit if such activities are incidental to primary use of the unit. If the HACN determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation. If the HACN determines the business is not legal, it will be considered a program violation.

H. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

1. Denial or termination due to ineligible immigrant status - Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The HACN will offer the family an opportunity for an informal hearing. Assistance may not be terminated

while verification of the participant family's eligible immigration status is pending. The HACN will deny or terminate assistance based on the submission of false information or misrepresentation.

2. Procedure for Denial or Termination - If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HACN either after the INS appeal or in lieu of the INS appeal.

After the HACN has made a determination of ineligibility, the family will be notified in writing within 14 (fourteen) days of the determination and the reasons and informed of the option for prorated assistance (if applicable).

I. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (C)]

1. An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HACN, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information.

2. It is the obligation of the participant to allow the HACN to inspect the unit. Failure to allow the HACN to inspect the unit may result in termination of assistance.

3. For most purposes in this Plan, the family will be given two (2) opportunities before being issued a notice of termination or denial for breach of a family obligation. After issuance of the termination notice, if the family offers to correct the breach within the time allowed in the notice, the termination may be rescinded after the family cures the breach.

J. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(C)]

If the family has misrepresented any facts that caused the HACN to overpay assistance, the HACN may choose not to terminate and may offer to continue assistance provided that the family reimburses the HACN for the overpayment in full within ninety (90) days of the date of the notice to the family of the overpayment.

CHAPTER 14. POLICIES FOR AND PROCEDURES FOR CONTRACT TERMINATION

[24 CFR 982.311]

A. HACN POLICY FOR CONTRACT TERMINATION

1. The contract between the Owner and the HACN may be terminated by the HACN, or the Owner, or by the tenant terminating the rental agreement or lease.

2. No future subsidy payments on behalf of the family will be made by the HACN to the Owner after the month in which the contract is terminated. The Owner must reimburse the HACN for any subsidies paid by the HACN for any period after the contract termination date.

B. FAMILY TERMINATION OF CONTRACT

1. Family termination of the rental agreement or lease must be in accordance with the terms of the rental agreement or lease.

2. If the family moves out of the unit, the HACN will not make any housing assistance payment to the Owner for any month after the month when the family moves out. The Owner may keep the housing assistance payment for the month when the family moves out of the unit.

C. TERMINATION OF THE CONTRACT BY OWNER

1. If the Owner wishes to terminate the rental agreement or lease, the Owner must provide proper notice as stated in the rental agreement or lease and in accordance with State laws. During the term of the rental agreement or lease, the Owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

2. During the initial term of the rental agreement or lease the Owner may only evict for:
   a. serious or repeated violations of the rental agreement or lease, including but not limited to failure to pay rent or other amounts due under the rental agreement or lease, or repeated violation of the terms and conditions of the rental agreement or lease;
   b. violations of Federal, State or local law that imposes in connection with the occupancy or use of the premises, or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on or near the premises;
   c. during the initial term of the rental agreement or lease, the Owner may not terminate the tenancy for “other good cause” unless the Owner is terminating the tenancy because of an action of a family member or the failure of a family member to act.

3. The Owner may require a tenant to exclude a household member from the household in order to continue to reside in the assisted unit.

4. Actions of termination by the Owner must be consistent with the State law and Fair Housing and Equal Opportunities as stated in 24 CFR 5.105.

5. The Owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any Owner eviction notice to the tenant.

6. Housing assistance payments are paid to the Owner, under the terms of the HAP contract, if the Owner has begun eviction and the family continues to reside in the unit and the contract is not violated. The HACN will continue to make housing assistance payments to the Owner until the Owner has obtained a court judgment or other process allowing the Owner to evict the tenant. If the action is finalized in court, the Owner must provide the HACN with the documentation, including notice of the lock-out date.

7. If an eviction is not due to a serious or repeated violation of the rental agreement or lease, and if there are no other grounds for termination of assistance, the HACN may issue a new voucher so that the family can move with continued assistance.

8. After the initial Rental Agreement/Lease term, if the Owner wishes to terminate the Rental Agreement/Lease, with no cause stated, a ninety (90) day notice must be given to tenant and the HACN.

9. The HACN's failure to pay the housing assistance payment to the Owner is not a violation of the lease between the tenant and the Owner. During the term of the lease, the Owner may not terminate the tenancy of the family for nonpayment of the HACN's housing assistance payment.

D. TERMINATION OF THE CONTRACT BY HACN [24 CFR 982.404(A), 982.453, 982.454, 982.552(A) (3)]

1. The term of the HAP contract terminates when the rental agreement or lease terminates, when the HACN terminates program assistance for the family, or when the Owner has breached the HAP contract.

2. The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.

3. The contract will terminate automatically if one hundred eighty (180) days have passed since the last housing assistance payment to the owner.

4. HACN may terminate HAP contracts if HACN determines, in accordance with HUD requirements, that funding under the consolidated Annual Contributions Contract (ACC) is insufficient to support continued assistance for families in the program. If the HACN

determines there is a shortage of funding, prior to terminating any HAP contracts, HACN will determine if any other actions can be taken to reduce program costs. If, after implementing all reasonable cost cutting measures, there is not enough funding available to provide continued assistance for current participants, HACN will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, HACN will inform the local HUD field office and its financial analyst at the Financial Management Center (FMC). HACN will terminate the minimum number needed in order to reduce HAP costs to a level within HACN's annual budget authority.

If HACN must terminate HAP contracts due to insufficient funding, HACN will do so in accordance with the following criteria and instructions:

First in, first out. Under this option HACN would terminate families according to the date of the family's admission to the program, starting with those who have been receiving assistance for the longest period of time. Elderly and disabled households would be exempt and would not be terminated. This also does not include non-elderly disabled (NED) or Family Unification Program (FUP) special purpose voucher families who would be the last to be terminated per HUD regulations.

Families terminated for insufficient funding will be returned to the top of the waiting list and will be first to be assisted from the waiting list with the resumption of funding. The order of resumption will start with the families who were assisted the longest prior to being terminated.

5. Notice of Termination - When the HACN terminates the HAP contract under the violation of HQS space standards, the HACN will provide the Owner and the family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the HACN gives such notice to the Owner and the family.

CHAPTER 15. HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

A. HOUSING QUALITY STANDARDS

1. All program housing must meet the Housing Quality Standards (HQS) performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

2. The following are HUD's and HACN's acceptability criteria that are the key aspects of housing quality:

a. sanitary facilities;
b. food preparation and refuse disposal;
c. space and security;
d. thermal environment;
e. illumination and electricity;
f. structure and materials;
g. interior air quality;
h. water supply;
i. lead-based paint;
j. access;
k. site and neighborhood;
l. sanitary condition; and
m. smoke detectors.

HACN's additional housing quality standards:

The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit. One screened window per room; screen doors constitute a screened window. Bathrooms must have either one screened window or an exhaust fan.

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable with single key, single lever deadbolt, have no holes, have all trim intact, and have a threshold.

Carpet must be secured to the floor and not cause a tripping hazard.

Water heaters must be secured to wall or floor and must have a pressure relief valve and discharge line.

In accordance with state law carbon monoxide detectors are required to be present in all units.

In units where the tenant must pay for utilities, each unit must have separate metering services for measuring actual usages for utilities. All utility charges billed to the tenant must be consumed by only the tenant.

3. There are five types of inspections the HACN will perform:

a. Initial/Move-in: conducted upon receipt of Request for Tenancy Approval;
b. Annual: conducted within twelve months of the last annual inspection;
c. Move-Out/Vacate: conducted within three (3) days of a family vacating a unit;
d. Special/Complaint: conducted at request of Owner, family, or third-party;
e. Quality Control.

B INITIAL HQS INSPECTION [24 CFR 982.401(A), 982.305(B)(2)]

The HACN will inspect the unit, determine whether the unit satisfies the HQS, and notify the family and Owner of the determination within fifteen (15) days after the family has submitted a Request for Tenancy Approval. It is recommended by the HACN that units are inspected within twenty-one (21) days of expiration of the voucher. Extensions may be granted to allow time to bring the unit into compliance with HQS.

C ANNUAL HQS INSPECTIONS [24 CFR 982.405(A)]

The HACN will conduct an inspection in accordance with Housing Quality Standards at least biennially. Annual inspections will be done for units that failed the previous year's HQS inspection, for units with a history of failed HQS inspections, and for units whose owners have requested annual inspections. The family must allow the HACN to inspect the unit at reasonable times with reasonable notice. The family is responsible for an HQS breach caused by the family. Modifications or adaptations to a unit to accommodate a person with a disability must meet all applicable HQS standards.

D. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(C)]

If at any time the family or Owner notifies the HACN that the unit does not meet Housing Quality Standards, the HACN will conduct an inspection within five (5) days of the request for an inspection. The HACN may also conduct a special inspection based on information from third parties.

E. EMERGENCY/NON-EMERGENCY REPAIR ITEMS [24 CFR 982.404(A)]

1. Emergency items which endanger the family's health or safety will be corrected by the Owner within twenty-four (24) hours of notification. Non-emergency item repairs will be corrected within thirty (30) days.

2. If the emergency repair item(s) are not corrected in the time period required by the HACN and the Owner is responsible, the Housing Assistance Payment (HAP) will be abated and the HAP contract may be terminated. No retroactive payments will be made to the Owner for the period of time the rent was abated and the unit did not comply with HQS. If repairs are completed before the effective termination date, the termination may be rescinded by the HACN, if the tenant chooses to remain in the unit. Only one Housing Quality Standards inspection will be conducted after the termination notice is issued.

3. If the emergency repair item(s) are not corrected in the time period required by the HACN, and it is an HQS breach caused by the tenant, the HACN will terminate the assistance to the family after providing an opportunity for an informal hearing. If emergency or non-emergency violations of HQS are determined to be the responsibility of the tenant, the HACN will require the tenant to make any repair(s) or corrections within twenty-four (24) hours to thirty (30) days, depending on the repair(s) necessary.

If the HACN has determined from an annual or interim inspection that the unit did not meet the HQS requirements, the HACN may allow the unit to pass upon verification that the HQS deficiency has been corrected. A re-inspection is not necessary if the HACN can obtain verification through other means – including photos, receipts, invoices, work orders, or owner/tenant certifications.

In the case of initial inspections, the HACN is required to conduct a follow-up inspection if the unit does not pass HQS.

CHAPTER 16. RENT REASONABLENESS AND PAYMENT STANDARDS

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM [24 CFR 982.508]

The HACN will demonstrate that the rent to Owner is reasonable in comparison to rent for other comparable unassisted units. The only other limitation on rent to Owner is the maximum rent standard at initial occupancy. At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed forty percent (40%) of the family's monthly adjusted income. During the initial term of the lease, the Owner may not raise the rent to Owner. Future rent increases require a minimum of sixty (60) days notice to the tenant and the HACN. Any requested change in rent to Owner will be subject to rent reasonableness requirements.

B. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

1. The HACN will not approve a lease until the HACN determines that the initial rent to Owner is a reasonable rent. The HACN will re-determine the reasonable rent before any increase in the rent to Owner, and if there is a five (5) percent decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary. At all times during the assisted tenancy, the rent to Owner may not exceed the reasonable rent as most recently determined or re-determined by the HACN.

2. As required by HUD, the HACN will consider the location, quality, size, unit type, and age of the contract unit; and any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease to determine if a unit rent is reasonable.

3. The HACN will conduct a Rent Reasonableness Survey in accordance with HUD regulations to establish a viable database that will be used to meet the rent reasonableness test. This data base will represent units that are comparable to affordable housing within the Napa County incorporated and unincorporated areas and will be maintained in the HACN computer software program and also on file as source documents available for review.

4. The market survey will include single family homes, townhouses and apartments with representative samplings of Studio, 1, 2, 3, 4, 5 and 6 bedroom units. The study will include a variety of amenities in each bedroom size identified as they are available. This survey will also include mobile home space rents. The study will focus on units that are currently vacant or units that have been leased within the past two years. These comparables will be used to document rent reasonableness in each tenant file.

5. The HACN will maintain a data base that is representative of the cross section of units subsidized and will have a minimum total of 200 viable surveys that will be updated annually. This data base will not include any units that receive any type of

subsidy. The HACN will update one hundred percent (100%) of these surveys each July and add additional samples as necessary to maintain a data base that is comparable to a minimum of fifteen percent (15%) of the total subsidies available.

C. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

1. In accordance with HUD regulations, and at the HACN's discretion, the HACN's voucher payment standard amount is set between ninety percent (90%) and one hundred ten percent (110%) of the HUD published Fair Market Rent (FMR). The HACN reviews the appropriateness of the payment standard annually when the FMR is published. In determining whether a change is needed, the HACN will ensure that the payment standard is always within the range of ninety percent (90%) to one hundred ten percent (110%) of the new FMR, unless an exception payment standard has been approved by HUD.

2. The HACN will establish a single voucher payment standard amount for the HACN jurisdiction. The HACN will establish payment standard amounts for each "unit size".

3. The HACN may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability. The request for a reasonable accommodation may be made verbally or in writing. The reasonable accommodation request will require supporting documentation from a professional competent to render the opinion and knowledgeable about the persons situation.

4. Payment standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. If after a review by the HACN that warrants a payment standard adjustment, the HACN will apply for Fair Market Rents in the fiftieth (50th) percentile in order to maintain an appropriate payment standard.

5. Exception payment standard amount [(24CFR 982.503(c)] - At HUD's sole discretion, HUD may approve an exception payment standard amount higher than the basic range for a designated part of the fair market rent area (called an “exception area”). HUD may approve an exception payment standard amount for all units, or for all units of a certain unit size in the exception area. The HACN will use the appropriate payment standard amount established by HUD in accordance with HUD regulations.

CHAPTER 17. ANNUAL RECERTIFICATION/REEXAMINATION

[24 CFR 982.516]

A. SCHEDULE FOR RECERTIFICATIONS/REEXAMINATIONS

Families are required to be recertified at least annually. If a family requests a reexamination of income or family composition, the HACN will conduct a reexamination in a timely manner (for the purposes of this section timely manner shall mean fourteen (14) days). Income limits are not used as a test for continued eligibility at recertification.

B. COLLECTION OF INFORMATION [24 CFR 982.516(F)]

1. HACN requires that the head of household, co-head, or spouse attend the recertification interview. All adult household members must sign all appropriate forms. Reasonable accommodations will be made for persons with disabilities.

2. Documents Required From the Family - Verifications for reexaminations must be less than one hundred twenty (120) days old from the date of the reexamination. The following items must be provided by the family:

a. documentation of all income and assets;
b. documentation of any deductions/allowances;
c. Tenant Information Form (TIF) completed by head of household;
d. releases and consent forms signed by all adult household members.

C. CHANGES IN TENANT RENT PORTION

If the tenant rent portion changes, whenever possible, a thirty (30) calendar day notice is mailed to the family and Owner. If there is a delay in the reexamination processing, there may be a retroactive increase in rent to the scheduled effective date of the annual recertification. Participants may be required to repay the full amount of the overpayment to maintain ongoing eligibility. Participants offered the option of repayment are given ninety days for repayment. The file may also be referred for termination of rental assistance due to failure of the family to cooperate in the annual recertification.

D. REPORTING INTERIM CHANGES [24 CFR 982.516]

1. The HACN will obtain and document in the tenant file third party verification of the following items or will document in the tenant file why third party verification was not available:

a. reported family annual income;
b. the value of assets;
c. expenses related to deductions from annual income; and
d. other factors that affect the determination of adjusted income.

2. Program participants must report in writing within fourteen (14) days all changes in household composition to the HACN between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody of minor children. The family must obtain HACN approval prior to all other additions to the household. If any new

family member is added, family income must include any income of the new family member. The HACN will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size. All other aspects of program eligibility (e.g. social security numbers, criminal history, U.S. citizenship/eligible immigrant status, etc. must be verified.

3. Changes in Income - Families are required to report all changes in income and/or assets within fourteen (14) calendar days of the change. Changes must be reported to the HACN in writing. Written verification of the changes must be provided when requested by the HACN. The HACN will conduct an interim re-examination of income and process an interim recertification if the reported change in income would result in a HAP change of fifty dollars ($50) or more. The HACN will conduct an interim re-examination and calculate the HAP change if a decrease in income of any amount is reported.

4. If the HACN makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error. The effective date of the corrective action will be retroactive to the date the calculation error took effect with regard to the HAP.

5. Other Reporting Issues - An interim reexamination may be scheduled for families with zero or fluctuating income every ninety (90) days. Families with fluctuating income may request a reassessment of their rent portion every ninety (90) days.

6. Income Changes Resulting from Welfare Program Requirements [24 CFR 5.615]

a. The HACN will not reduce the family share of rent if the family's welfare assistance is reduced due to a specified welfare benefit reduction for fraud or noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.
b. The HACN will reduce the family's share of rent if the welfare assistance reduction is a result of the expiration of a lifetime time limit on receiving benefits, or a situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or a situation where a family member has not complied with other welfare agency requirements.

7. Family Split - If a participant family splits due to separation or divorce and the family cannot agree on who should continue to receive the assistance the following factors will determine which of the family units will continue to be assisted:

a. Which of the family units has custody of the dependent children;
b. Which of the family units contains elderly or disabled members;
c. The recommendation of social service professionals;
d. Which family members remain in the unit;
e. Whether family members are forced to leave the unit as a result of actual or threatened domestic violence, dating violence or stalking;

If the family breakup results from an occurrence of domestic violence, dating violence, or stalking, the victim will retain the assistance.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the HACN is bound by the court's determination of which family members continue to receive assistance in this program

The HACN cannot issue an additional Voucher and assist two family units separately after a breakup; only one family unit may continue to receive assistance.

CHAPTER 18. MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

A. ALLOWABLE MOVES

1. A family may move to a new unit with continued assistance if:
   a. the assisted rental agreement or lease for the former unit was terminated because the HACN terminated the HAP contract for Owner breach, or the lease was terminated by mutual agreement of the Owner and the family;
   b. the Owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the Owner to evict the family (unless assistance to the family will be terminated);
   c. the family has given proper notice to terminate the lease (and if the family has a right to terminate the lease with notice to Owner).

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(A)]

1. The HACN may deny permission to move if:
   a. the move is within the HACN's jurisdiction during the initial year of assisted occupancy;
   b. the move is outside the HACN's jurisdiction under Portability procedures during the initial year of assisted occupancy unless the family's move relates to a family member's opportunity for education, job training or employment;
   c. the family has moved more than once in a twelve (12) month period;
   d. if there is insufficient funding for continued assistance;
   e. if the move would result in a higher Housing Assistance Payment (HAP);
   f. the family has violated a family obligation;
   g. the family owes the HACN money unless the family has entered into a repayment agreement and is current on said agreement.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

1. Notice Requirements - The family must give the Owner the required number of days of written notice of intent to vacate the unit specified in the rental agreement or lease and must give a copy to the HACN simultaneously.

2. Time of Contract Change - Assistance stops at the former unit at the end of the month unless proper notice was given to end a lease at any time during the month. Assistance will start on the new unit on the effective date of the HAP contract. Assistance payments may overlap during the month in which the family moves.

D. POLICIES AND PROCEDURES FOR OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

1. Within the limitations of the regulations and this policy, a participant family in the jurisdiction of a HACN has the right to receive tenant-based voucher assistance to lease a unit outside the HACN's jurisdiction, anywhere in the United States that has a tenant-based program.

2. When a family requests to move outside of the HACN's jurisdiction, the request must specify the area to which the family wants to move.

3. HACN will advise the family how to contact and request assistance from the receiving Housing Authority.

4. HACN will promptly notify the receiving Housing Authority to expect the family.

5. HACN will give the receiving Housing Authority the most recent HUD Form 50058 for the family, and related verification information.

6. If neither the head of household nor spouse had a domicile (legal residence) in the HACN's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the HACN approves such move.

7. For a new applicant portable family that was not already receiving assistance in the HACN's jurisdiction, the HACN will determine whether the family is eligible for admission under the receiving Housing Authority's income limits.

8. If the HACN does not have the financial ability to provide assistance for families that move out of the HACN's jurisdiction, and the receiving Housing Authority does not plan to absorb the family, portability requests will be denied in accordance with HUD Notice PIH 2011-3. Portability requests must be accompanied by written verification that the receiving Housing Authority will absorb the family.

9. The HACN will not provide portable assistance for a participant if:
   a. the family has moved out of its assisted unit in violation of the lease;
   b. if the family is in violation of a family obligation;
   c. if the family owes money to the HACN.

E. POLICIES AND PROCEDURES FOR INCOMING PORTABILITY [24 CFR 982.355]

1. When the portable family (a family that moves into the jurisdiction of the HACN from another Housing Authority) requests assistance from the HACN, it will promptly inform the initial Housing Authority whether the HACN will bill the initial Housing Authority for assistance on behalf of the portable family, or will absorb the family.

2. HACN will issue a voucher to the family. The term of the voucher may not expire before the expiration date of the initial Housing Authority voucher. HACN will administer the voucher in accordance with HUD regulations and this Administrative Plan.

3. The HACN will determine the family unit size for the portable family. The family unit size is determined in accordance with the HACN subsidy standards.

4. The receiving HACN will promptly notify the initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a Request for Tenancy Approval for an eligible unit within the term of the voucher. To provide tenant-based assistance for portable families, HACN will perform all program functions such as reexaminations of family income and composition.

5. HACN's procedures and preferences for selection among eligible applicants do not apply to portable families, and the HACN waiting list is not used.

6. The HACN will bill the initial Housing Authority using the HUD 52665 for housing assistance payments, claims and administrative fees.

7. HACN will notify the initial HACN of changes in subsidy amounts and will request that the initial Housing Authority notify the HACN of changes in the administrative fee amount to be billed.

8. The HACN will absorb incoming portable families from PHA's that the HACN has a reciprocal portability absorption agreement provided that there is funding available. All other portables will generally be administered by the HACN on behalf of the initial PHA. However, HACN may, elect to absorb incoming portable voucher at its discretion.

9. As the receiving PHA, the HACN may conduct a recertification interview and briefing. If a portable family is a participant in the HACN Section 8 tenant-based program, income eligibility is not re-determined when the family moves to the receiving HACN program under portability procedures. The HACN may use information and verifications provided if the documents are less than one hundred twenty (120) days old. If there has been a change in the family's circumstances, new verifications must be obtained. The recertification of the family will not cause a delay in the issuance of a voucher, unless there is a question of income and/or program eligibility.

10. If the family's income is such that a zero dollar ($0) subsidy amount is determined prior to lease-up in the HACN's jurisdiction, the HACN will not enter into a contract on behalf of the family at zero dollar ($0) assistance.

11. An individual or group briefing will be mandatory for all portable families when the family submits a Request for Tenancy Approval.

12. The HACN will notify the initial Housing Authority in writing of any termination of assistance within thirty (30) days of the termination. If an informal hearing is requested by the family, and is granted by the HACN, the hearing will be conducted by the HACN, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial Housing Authority.

13. The initial Housing Authority will be responsible for collecting amounts owed to them by the family for claims paid and for monitoring repayment. If the initial Housing Authority notifies the HACN that the family is in arrears or the family has refused to sign a payment agreement, the HACN may terminate assistance to the family and will provide written notification to the initial Housing Authority.

CHAPTER 19. MOVE OUT INSPECTIONS

[24 CFR 982.50]

A. MOVE-OUT AND CLOSE-OUT INSPECTIONS

1. Move-out inspections are performed only after the tenant has vacated the unit. Vacate inspections will be conducted at the request of the Owner or tenant. The HACN inspection of the unit will include a completed inspection report.

2. The tenant or Owner must notify HACN of the move-out and request an inspection within forty-eight (48) hours of tenant vacating the unit.

CHAPTER 20. OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.306, 982.54(d)(8)]

A. DISAPPROVAL OF OWNER

1. For purposes of this section, "Owner" includes a principal or other interested party.

2. The HACN will not approve an assisted tenancy under the following conditions:
   a. if the HACN has been informed (by HUD or otherwise) that the Owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24; or
   b. the federal government has instituted an administrative or judicial action against the Owner for violation of the Fair Housing Act or other federal equal opportunity requirements, and such action is pending; or
   c. a court or administrative agency has determined that the Owner violated the Fair Housing Act or other federal equal opportunity requirements;

3. The HACN may deny approval of an assisted tenancy for any of the following reasons:
   a. the Owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437 f);
   b. the Owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
   c. the Owner has engaged in any drug-related criminal activity or any violent criminal activity;
   d. the Owner has a history or practice of non-compliance with HQS for units leased under the tenant-based programs, or under any other federal housing program;
   e. the Owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
      1) threatens the right to peaceful enjoyment of the premises by other residents;
      2) threatens the health or safety of other residents, of employees of the HACN, or of Owner employees or other persons engaged in management of the housing;
      3) threatens the health or safety of persons residing in the immediate vicinity of the premises, or the right to peaceful enjoyment of their residences; or
      4) is drug-related criminal activity or violent criminal activity.
   f. the Owner has a history or practice of renting units that fail to meet State or local housing codes;
   g. the Owner has not paid State or local real estate taxes, fines, or assessments;
   h. the Owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

4. The HACN will not approve a unit if the Owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family unless the HACN determines

that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction only applies at the time a family initially receives tenant-based assistance for occupancy, but does not apply to the HACN approval of a new tenancy with continued tenant-based assistance in the same unit.
If it appears the Owner and tenant are related as specified in the above section, e.g the Owner and tenant bear the same last name, the HACN may, at its discretion, require the family and/or the Owner to certify whether they are related to each other in any way.

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]

If an Owner has committed fraud or abuse or is guilty of frequent or serious HAP contract violations, the HACN will restrict the Owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HACN may also terminate some or all contracts with the Owner. Before imposing any penalty such as termination against an Owner, the HACN will review all relevant factors pertaining to the case, and will consider such factors as the Owner's record of compliance and the number of violations.

C. CHANGE IN OWNERSHIP

1. The HACN will process a change of ownership only upon the written request of the new Owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed, and the Employee Identification Number or Social Security number of the new Owner. The new owner must agree to be bound by and comply with the HAP contract. The agreement must be in writing in a form acceptable to the HACN.

2. The HACN must receive a written request by the former Owner in order to change the HAP payee and/or the address to which payment is to be sent.

3. If the new Owner does not want to assume the current HAP contract, the HACN will terminate the HAP contract with the former Owner. The new Owner may offer the family a new assisted lease.

CHAPTER 21. OWNER OR FAMILY DEBTS TO HACN

[24 CFR 982.552]

A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (C)(V-VII)]

A Payment Agreement is a document entered into between the HACN and a person who owes a debt to the HACN. The HACN will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the HACN.

B. DEBTS DUE TO MISREPORTING OF INFORMATION [24 CFR 982.163]

1. Family Error/Late Reporting - Families who owe money to the HACN due to the family's failure to report increases in income will be required to pay the full amount owed within ninety (30) days from the date of notification to the family of the amount owed to the HACN or enter into a repayment agreement. If the family pays the amount in full or signs a repayment agreement within this time period, the HACN may continue assistance to the family.

2. Program Fraud - Families who owe money to the HACN due to program fraud will be required to pay the amount in full within ninety (90) days. If the full amount is paid within this time period, and the family is still eligible, the HACN may continue assistance to the family.

3. If a family owes an amount which equals or exceeds three thousand dollars ($3,000.00) as a result of housing program fraud, the case will be referred to the Inspector General and if appropriate, the case may be referred to local and/or state law enforcement agencies for criminal prosecution.

C. DEBTS DUE TO MINIMUM RENT/TEMPORARY HARDSHIP

If the family owes the HACN money for rent arrears incurred during the minimum rent period, the family will be required to pay the arrears within ninety (90) calendar days from the date of demand for repayment.

D. GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.552(C) (V-VII)]

1. Payment agreements may be executed between the HACN and the head of household and/or spouse.

2. The payment agreement will be executed by the designated HACN personnel.

3. The payment agreement will be in default when a payment is delinquent fourteen (14) calendar days.

4. The family's assistance will be terminated unless the HACN receives the balance of the payment owed in full within fourteen (14) calendar days of the demand for payment.

5. If a family receives two delinquency notices for unexcused late payments in a 12 month period, the repayment agreement will be considered in default, and the HACN may terminate assistance.

6. No move will be approved until any debt to the HACN is paid in full or is current under the terms of the repayment agreement.

7. The HACN will not enter into more than one payment agreement with the family at a time.

HACN has established the following thresholds for repayment of debts:
Amounts under $ 1,000 must be repaid within 12 months.
Amounts between $ 1,000 and $ 1,999 must be repaid within 24 months.
Amounts between $2,000 and $2,999 must be repaid within 30 months.
Amounts between $3,000 and the federal or state threshold for criminal prosecution must be repaid within 36 months.
If a family can provide evidence satisfactory to the HACN that the threshold applicable to the family's debt would impose an undue hardship, HACN may, in its sole discretion, determine that a lower monthly payment amount is reasonable.

E. OWNER DEBTS TO THE HACN [24 CFR 982.453(B)]

1. The HACN's rights and remedies against the Owner under the HAP contract include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

2. If the HACN determines that the Owner has retained housing assistance the Owner is not entitled to, the HACN may reclaim the amounts owed from future housing assistance payments for any units under contract with such Owner.

3. If future housing assistance payments are insufficient to reclaim the amounts owed, the HACN may require the Owner to pay the amount in full within ninety (90) days from the date of the HACN's notification to the Owner of the amount owed, pursue collections through the local court system, and/or restrict the Owner from future participation.

CHAPTER 22. SPECIAL HOUSING TYPES

[24 CFR 982.601]

A. SINGLE ROOM OCCUPANCY [24 CFR 982.602]

1. The HACN permits Single Room Occupancy.

2. The HACN will use a separate lease and housing assistance payment contract for each assisted person residing in a SRO [24 CFR 982.603].

3. Rent and Housing Assistance Payments [24 CFR 982.604] - Moderate Rehabilitation Program - For a person residing in SRO housing, the payment standard is seventy-five percent (75%) of the zero-bedroom payment standard amount on the HACN payment standard schedule. For a person residing in SRO housing in an exception area, the payment standard is seventy-five percent (75%) of the HUD-approved zero-bedroom exception payment standard amount. The utility allowance for an assisted person residing in SRO housing is seventy-five percent (75%) of the zero bedroom utility allowance.

4. Housing Quality Standards - The HACN will ensure that all SRO units approved for the program are in compliance with Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

B. SHARED HOUSING [24 CFR 982.615]

1. The HACN will permit the use of shared housing in accordance with the requirements of the program.

2. Rent and HAP Contract – For shared housing, the term “pro-rata portion” means the ratio derived by dividing the number of bedrooms available for occupancy by the total number of bedrooms in the unit. The rent to Owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

3. Maximum Subsidy – For a family that resides in a shared housing unit the payment standard is the lower of the amount on the HACN payment standard schedule for the family unit size or the pro-rata portion of the amount on the HACN payment standard for the shared housing unit size, whichever is lower.

4. Utility Allowance -The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

C. MANUFACTURED HOMES [24 CFR 982.620]

1. The HACN will permit a family to lease a manufactured home and space, or own the manufactured home and lease only the space under the program. .

2. Housing Quality Standards [24 CFR 982.621] - A manufactured home must meet all the HQS requirements. In addition, the manufactured home also must meet the following requirements:

a. A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

b. A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

c. For all installations, reinstallations and repairs to manufactured or mobile home foundations, the foundation must be secured with a pinned State approved engineered tie down system or a City of Napa Housing Division approved equivalent.

3. Manufactured Home Space Rental [24 CFR 982.622] - Rent to Owner for a manufactured home space will include payment for maintenance services that the Owner must provide to the tenant under the lease for the space. Rent to Owner does not include the cost of utilities and trash collection for the manufactured home. The Owner may charge the family a separate fee for the cost of utilities or trash collection provided by the Owner.

4. Reasonable Rent - The HACN will not approve a lease for a manufactured home space until the HACN has determined that the initial rent to Owner for the space is a reasonable rent.

The HACN will determine whether the rent to Owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The HACN will consider the size and location of the space and any services and maintenance provided by the Owner in accordance with the lease. If requested by the HACN, the Owner must provide the HACN information on rents for other manufactured home space.

By accepting each monthly housing assistance payment from the HACN, the Owner of the manufactured home space certifies that the rent to Owner for the space is not more than rent charged by the Owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere in the HACN's jurisdiction.

5. Housing Assistance Payments for Manufactured Home Space - There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally forty percent (40%) of the published FMR for a two-bedroom unit.

a. During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

1) the payment standard minus the total tenant payment; or

2) the rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

b. The space rent is the sum of the following as determined by the HACN:

1) rent to Owner for the manufactured home space;

2) Owner maintenance and management charges for the space;

3) the utility allowance for tenant paid utilities.

6. Utility Allowance Schedule for Manufactured Home Space Rental - The HACN will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space will not include the costs of digging a well or installation of a septic system.

CHAPTER 23. SECTION 8 PROJECT BASED VOUCHER PROGRAM
[24 CFR 983]

Introduction

The Project-Based Voucher (PBV) Program is a component of the Housing Authority of the City of Napa's (HACN's) Section 8 Housing Choice Voucher (HCV) Program. HACN administers the PBV program in accordance with federal regulations, 24 CFR Part 982 and CFR Part 983, under which the U.S. Department of Housing and Urban Development (HUD) allows public housing authorities to set aside up to 20% of their total funding under the HCV program Annual Contributions Contract (ACC) for project-based voucher assistance.

HACN will operate a project-based voucher program using up to 20 percent of its budget authority for project-based assistance. Except as noted in this chapter, or unless specifically prohibited by PBV program regulations, HACN policies for tenant-based voucher program contained in this Administrative Plan also apply to the PBV program and its participants.

SECTION I. GOAL OF THE PROJECT-BASED ASSISTANCE PROGRAM

HACN's program goals are to expand the availability of rental housing for low income households; make project-based rental subsidies accessible so eligible families can afford safe, decent and sanitary housing; maintain full utilization of allocated vouchers, and prevent the concentration of poverty.

SECTION II. HOUSING TYPE

HACN may attach PBV assistance to units in existing housing, rehabilitated housing or newly constructed housing developed under and in accordance with an Agreement to enter into a Housing Assistance Payments (AHAP) Contract. The AHAP must be executed prior to the start of construction.

A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of HACN selection, the unit substantially complied with Housing Quality Standards (HQS). Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

The solicitation for proposals for PBV will state the housing type(s) HACN will consider for its PBV program. Existing and rehabilitated housing must comply with the site and neighborhood standards located at 24 CFR 983.57(d). Newly constructed housing must comply with the site and neighborhood standards located at 24 CFR 837.57(e).

SECTION III. LOCATION

HUD requires that the selection of units for project-based voucher assistance be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. In selecting a development for project-based voucher assistance, HACN will consider the following:

- Whether the census tract in which the proposed project-based voucher development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- Whether proposed project-based voucher development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
- Whether the census tract in which the proposed project-based voucher development will be located is undergoing significant revitalization;
- Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement of deconcentrating poverty;
- Whether new market rate units are being developed in the same census tract where the proposed project-based voucher development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
- If the poverty rate in the area where the proposed project-based voucher development will be located is greater than 20 percent, HACN will consider whether in the past five years there has been an overall decline in the poverty rate; and
- Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed project–based voucher development will be located. [24 CFR 983.57(a)]

SECTION IV. ADVERTISEMENT POLICY

HACN will advertise the availability of PBV assistance in accordance with HUD regulations. Advertisement will be placed in a local newspaper of general circulation in the City of Napa. The advertisement will run once a week for a period of two consecutive weeks. The advertisement will also be posted on the City of Napa website. The advertisement will specify the number of vouchers available to be project-based, the type of units that will be considered for the project-based program and specify the submission deadline. All advertisements for the PBV Program will contain a statement that participation requires compliance with the following:

- Fair Housing and Equal Opportunity Requirements;
- The Fair Labor Standards Act and Contract Work Hours and Safety Standards Act; and

- Section 3 of the Housing and Urban Development Act of 1968 and its implementing regulations.

In addition, the Federal equal employment opportunity requirements of Executive Orders 11246 as amended may be applicable for new construction and substantial rehabilitation properties.

SECTION V. SELECTION OF PBV OWNER PROPOSAL

A. Selection Methods

HACN will select PBV proposals pursuant to one or both of the following methods:

- HACN will issue a request for PBV proposals as provided in 24 CFR Section 983.51(b)(1). If HACN uses this method to select PBV proposals, HACN will provide public notice of the request for PBV proposals.

  In order for the proposal to be considered, the owner must submit a proposal to HACN by the published deadline date, and the proposal must be responsive to all requirements as outlined in the Request for Proposal. Incomplete proposals will not be reviewed.

- As provided in 24 CFR Section 983.51(b)(2), HACN may determine to provide PBV funding, without competition to a proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded Low Income Housing Tax Credits have been provided), so long as the proposal has already been selected in accordance with such program's competitive selection requirements within three years of the HACN's PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive HACN PBV assistance.

HACN shall utilize a competitive basis for selection of projects except in the case of new construction projects that qualify for selection under the non--competitive basis as described above and which HACN determines a) will increase the community's affordable rental housing stock, b) that the project's selection for PBV will enhance the project's competitiveness in securing additional public funding sources needed in order for the project to begin construction, and 3) the project meets HACN goals for PBV which include expanding the affordability of rental housing for low income households; making project-based rental subsidies accessible so eligible households can afford safe, decent and sanitary housing, maintaining full utilization of allocated vouchers, and preventing the concentration of poverty.

B. Selection Criteria

HACN will rate and rank proposals for newly constructed or rehabilitated project based voucher assistance based upon the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP and experience in providing rental assisted housing;
- Evidence of firm financial commitments for construction or rehabilitation;
- The extent to which the property furthers the HACN goal of deconcentrating poverty and expanding housing and economic opportunities.

C. HACN-Owned Units

A HACN-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the HACN-owned units were appropriately selected based on the selection procedures specified in the HACN Administrative Plan. If the HACN selects a proposal for housing that is owned or controlled by HACN, the Authority must identify the entity that will review the HACN proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of HACN-owned units, the initial contract rent must be approved by an independent entity based on an appraisal by a licensed, state-certified appraiser. In addition, housing quality standards inspections must be conducted by an independent entity.

D. Notice of Owner Selection

HACN will give prompt written notice to the party that submitted a selected proposal. The award notice will include the number of vouchers awarded and state a deadline by which all other agreements must be executed. HACN will also give prompt public notice of award of PBV in a local newspaper of general circulation and on the City of Napa's website to provide broad public notice. The HACN will make its selection records and documentation for the basis for selection available for public inspection.

E. HACN will not select a proposal or enter into an agreement or an AHAP or HAP Contract until it determines that the proposed site /units comply with PBV goals, civil rights requirements, and HQS, unless otherwise provided in 24 CFR 983.57(b).

SECTION VI. SUBSIDY LAYERING REVIEW PROHIBITION OF EXCESS PUBLIC ASSISTANCE

HACN may provide PBV assistance only in accordance with subsidy layering review requirements. Subsidy layering review requirements must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental assistance from federal, state, or local agencies, including but not limited to, assistance such as tax concessions or tax credits.

A. HACN shall obtain from the Owner all the information required by the HUD mandated subsidy layering review checklist.

B. HACN will review the subsidy layering review package prepared by the Applicant for its completeness and consistency with program requirements.

C. If it appears complete and acceptable, the HACN will forward the subsidy layering review package to HUD's local office. The HUD office will also review the material and if found acceptable, submit it to HUD Headquarters for final review and approval.

D. HACN will not enter into an agreement or a HAP Contract until HUD or an independent entity approved by HUD has conducted any required subsidy layering review and determined that the PBV assistance complies with HUD's subsidy layering review requirements.

SECTION VII. ENVIRONMENTAL REVIEW

Every PBV project is subject to HUD environmental review requirements. Prior to execution of a HAP Contract, the owner must present evidence that the environmental review has been performed by a HUD designated "responsible entity" and approved by HUD, or, where applicable, categorically excluded from review under the National Environmental Policy Act of 1969, unless HUD notifies HACN in writing of environmental approval of the site.

SECTION VIII. CAP ON NUMBER OF PBV UNITS IN EACH BUILDING

Except for properties serving senior citizens or persons with disabilities, no more than 25% of the units in a project may receive project-based vouchers. An additional category of units referred to as "excepted" units are also exempt from the 25% cap. These are defined as units that will house a qualifying Family, defined by HUD as a household where at least one member will receive one or more supportive services for the term of the HAP Contract.

To be eligible for this service exception a project must provide to the excepted units one or more of the following services:

- Child care
- Transportation
- Education
- Job Training and/or Employment Training
- Substance/Alcohol Abuse Treatment or Counseling
- Ongoing Case Management Services
- Clinical Support to address medical coordination, mental health, substance abuse treatment and other needs.
- Non clinical support services to support residents independence and housing stability

The project owner will be responsible for regularly monitoring the supportive services requirements for the excepted units and must submit, at least annually, a report listing the families, the types of services provided and accessed, and the frequency of the access.

The HACN will terminate assistance for families who do not comply with supportive services requirements for living in the excepted units.

The HACN may not require participation in medical or disability related services, other than drug and alcohol treatment in the case of current abusers, as a condition of living in excepted units.

SECTION IX. EXECUTION OF THE AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT AND HOUSING ASSISTANCE PAYMENT CONTRACT

A. Agreement to Enter a Housing Assistance Payment Contract

1. Upon selection of the site/units for new construction or rehabilitation and completion of the subsidy layering and environmental reviews, HACN will execute an Agreement to Enter into a Housing Assistance Payments (AHAP) Contract within 10 business days. The AHAP will be in the form required by HUD. Construction or rehabilitation work may not begin until the AHAP is executed.

2. Upon notice from the owner that the housing is completed, HACN will inspect the units to determine if the housing has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the AHAP. HACN will also determine if the owner has submitted all required evidence of completion. If the work has not been completed in accordance with the AHAP, HACN will not enter into the HAP contract. If HACN determines the work has been completed in accordance with the AHAP and that the owner has submitted all required evidence of completion, HACN will submit the HAP contract for execution by the owner and then execute the HAP contract

3. Evidence of completion shall consist of a certification by the owner that the work meets HQS and all requirements of the agreement.

4. A certification of compliance with labor standards and equal opportunity requirements in development of the housing.

5. A certificate of occupancy.

B. Housing Assistance Payments Contract

1. Following completion of the rehabilitation or new construction and approval of the construction by HACN, the HAP Contract will be executed within 10 business days.

2. The HAP Contract must contain the following information:

   - The total number of contract units by number of bedrooms;
   - The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
   - The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
   - Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
   - Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
   - Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
   - The HAP contract term;
   - The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
   - The initial rent to owner for the first 12 months of the HAP contract term.

3. HACN's project-based Housing Assistance Payments (HAP) contract will be executed for a term of not less than one (1) year or more than 15 years for each contract unit [24 CFR 983.205] and is subject to future availability of funding under HACN's ACC.

C. Extension/Renewal of Term

The HACN may extend the PBV HAP contract at the time of initial HAP contract execution or any time before expiration of the contract for an additional term or terms of up to fifteen years if HACN determines an extension is appropriate to continue providing affordable housing for low income families or to expand

housing opportunities. Subsequent extensions are subject to the same limitations. Any renewals or extension of the project-based HAP Contract is subject to future availability of funding under HACN's ACC.

D. Owner Responsibilities Under the HAP

By executing the HAP contract the Owner certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the HACN, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

E. Termination of HAP Contract

1. Termination by HACN for insufficient funding.

As provided in the HAP Contract, HACN's contractual commitment is subject to availability of sufficient funding as determined by HUD or HACN in accordance with HUD instructions. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP Contract, HACN has the right to terminate the HAP Contract by notice to the owner for all or any units under contract. [24 CFR 983.205(c)] The HAP Contract will provide that the term of HACN's contractual commitment is subject to the availability of sufficient appropriated funding (budget authority) as determined by HUD or by HACN in accordance with HUD instructions.

2. Termination by Owner for reduction below initial rent

If a rent reasonableness test results in a reduced amount below the contract rent, the owner may elect to terminate the HAP Contract and the tenant must be offered the next available tenant-based voucher. [24 CFR 98.205(d)]

3. Termination by HACN for failures to meet Housing Quality Standards

If the property fails to meet HQS and the owner fails or is unable to make necessary improvements to the property, HACN will terminate the contract and issue housing choice vouchers to the clients.

F. HAP Contract Amendments

1. Substituting Contract Units

At the discretion of HACN, the HAP Contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract. HACN must inspect the proposed substitute unit and must determine the reasonable rent for such unit.

2. Adding Contract Units

At the discretion of HACN, the HAP Contract may be amended to add contract PBV units to the same project, if HACN has adequate voucher and budget authority at the time the request is received, and:

a. The total number of units in the project that will receive PBV assistance will not exceed 25% of the number of dwelling units in the project unless the units are serving seniors, persons with disabilities or are excepted units.

b. The amendment occurs during the three-year period immediately following the execution date of the HAP contract.

c. The owner is in good standing and has acceptably performed all requirements under the HAP contract.

d. Addition of unit is consistent with any HACN requirement for PBV units at the time the request is made.

e. The amendment is subject to all PBV requirements.

SECTION X. OCCUPANCY

A. Protection of In-Place Families

To minimize displacement of in-place families, for an existing unit or one requiring rehabilitation and occupied by an eligible Family on the proposal selection date, the in-place Family must be placed on HACN's waiting list (if not already on the waiting list) and, once the Family's continued eligibility is determined, given an absolute selection preference and referred to the project owner for an appropriately-sized PBV unit in the project. HACN may deny assistance to the Family for the grounds specified in 24 CFR 982.552 and

982.553. Eligible in-place families are not subject to income targeting requirements.

If an in-place Family is determined ineligible by HACN or does not wish to participate in the PBV program, HACN will give the owner the option to substitute that particular unit for another unit (HAP contract amendment) or the owner can wait until the end of the Family's lease term.

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and implementing regulations at 49 CFR, part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources.

B. Waiting list

The HACN will use the Housing Choice Voucher waiting list as the Project Based waiting list. The HACN will select applicants from the waiting list in accordance with the policies and preferences of the Housing Choice Voucher program.

Preference will be given if required by law or based on the local housing needs, the supportive services offered, and whether the housing is intended for particular populations (e.g. elderly, disabled, homeless, victims of domestic violence, etc.)

In selecting families to occupy PBV units with special accessibility features for persons with disabilities, the HACN will first refer families who require such accessibility features to the owner

If a family refuses the HACN's offer of PBV assistance or if a PBV owner rejects a family for admission to the owner's PBV units, such refusal or rejection does not affect the family's position on the HACN's waiting list for tenant based assistance.

C. Tenant Screening

1. HACN option. HACN has no responsibility or liability to the owner or to any other person for the Family's suitability for tenancy. However, HACN will screen adult applicants for criminal history of adult family members and may deny admission to the voucher program based on the screening results.

2. Owner responsibility. The owner is responsible for screening and selection of the Family to occupy the owner's unit. The owner may consider a Family's background with respect to such factors as payment of rent and utility bills, caring for a unit and premises, involvement in any drug-related criminal activity or other criminal activity is a threat to the health, safety, or property of others, respect for the rights of other residents to the peaceful enjoyment of their housing, and compliance with other essential conditions of tenancy.

D. Tenant Selection

The owner is responsible for developing written tenant selection procedures. Selection procedures must be approved by HACN prior to execution of HAP. Owners are responsible for selection of tenants for units assisted with project-based vouchers from among the families on their wait list. Project-based voucher holders must come from outreach efforts conducted by the property owner/manager in accordance with HACN policies.

HACN may select families who are active participants in its tenant-based voucher program and those who have applied for admission to the voucher program or only to a specific PBV site.

The owner will be responsible for determining the tenant's suitability for residency in their property.

Except for in-place residents who receive PBV assistance, not less than 75% of the families admitted from HACN's tenant-based and project-based waiting list during HACN's fiscal year shall be extremely low-income families.

E. Lease

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

The lease for a PBV unit must specify the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services, if any.

F. Tenancy Addendum

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The program tenancy requirements;

- The composition of the household as approved by the HACN (the names of family members and any HACN-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease. [24 CFR 983.256(d)]

G. Initial Term of the Lease

The initial lease term for project-based units is one year.

H. Conversion to Tenant Based/Portability Voucher

Families who reside in a project-based unit for at least twelve months may request to move with continued assistance with a tenant-based voucher, if funding is available. If a voucher is not available, the Family may remain in the project-based unit and the Family will be placed on the Project-based HCV waiting list and will be issued a voucher when one is available prior to another Family on the HCV waiting list. Families are subject to the same rules as any other tenant-based participant. The Family that moves out of the project-based unit is replaced with a new household from the waiting list.

I. Annual Reexaminations and Interim Reexaminations

1. Families who reside in a project-based unit may experience changes in their income or Family composition.
2. HACN will perform all interim adjustments and annual recertifications. HACN will provide the owner with the rent change notice letter and the copy of the Form HUD-50058 for their records.

J. Filling Vacancies and Vacancy Payments

The owner must notify the HACN within 5 business days of learning about any vacancy or expected vacancy. Notification may be by phone, mail, fax or e-mail. The HACN will make every reasonable effort to refer families to the owner within 14 calendar days of receiving such notice from the owner.

If an assisted family moves out of the unit, the owner may keep the housing assistance payment payable for the calendar month when the family moves out (move-out-month) if the unit has not been re-rented and if the HACN determines that the vacancy is not the owners fault.

HACN will pay vacancy loss for an additional thirty (30) days from the beginning of the first calendar month after the move-out month following a client move-out if:

- The owner gives HACN prompt written notice of the vacancy and the date the family moved out;
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which the payment is claimed;
- The owner has taken every reasonable action to minimize the likelihood and length of the vacancy; and

- The owner provides any additional information required and requested by HACN to verify that the owner is entitled to vacancy payment.

The vacancy payment will not exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). Any vacancy payment will cover only the period the unit remains vacant.

K. Reduction in the contract number of Project-Based Units

Project-based units that are not rented by an eligible Family within 120 days of becoming vacant and the HACN has made a good faith effort in referring eligible families to an owner will be terminated from the project-based assistance contract. Appeals will be allowed, but will be granted only in extraordinary circumstances. A unit that has consistently failed HQS inspections will also be terminated from the project-based assistance contract.

L. Changes in Ownership

Any changes in ownership must be approved in writing by HACN through a HAP contract amendment. HACN reserves the right to not make any requested amendments to the contract.

If contract is terminated prematurely, HACN will offer the PBV tenants an HCV voucher at the end of their existing lease term. The tenant may choose to remain on the property under the HCV program or can relocate using the HCV voucher.

M. Overcrowded, under-occupied, and accessible units.

The HACN subsidy standards determine the appropriate unit size for the family size and composition. If HACN determines that a family is occupying a wrong size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, HACN will promptly (within fourteen days) notify the family and the owner of this determination and of HACN's offer of continued assistance in another unit.

HACN's offer of continued assistance will be in the form of project based voucher assistance in an appropriate size unit (in the same project or in another project) or tenant based rental assistance under the voucher program.

If HACN offers the family the opportunity to receive tenant based rental assistance under the voucher program, HACN will terminate the housing assistance payments for a wrong sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by HACN) or the date upon which the family vacates the unit. If the family does not move out of the wrong sized unit or accessible unit by the expiration date of the term of the family's voucher, HACN will remove the unit from the HAP contract.

If HACN offers the family the opportunity of continued assistance in another project based unit in the same project or in another project and the family does not accept the offer or does not move out of the PBV unit within 30 days, HACN will terminate the housing assistance payments for the wrong sized or accessible unit, at the expiration of 60 days and will remove the unit from the HAP contract.

SECTION XI. HOUSING QUALITY STANDARDS INSPECTIONS AND RENT REASONABLENESS

A. Pre-selection Inspection

HACN will examine the proposed site before the proposal selection date to determine if the units substantially comply with HQS. HACN shall inspect each Contract unit before executing a HAP Contract. The HACN will identify the need for any special features on a case by case basis depending on the intended occupancy of the PBV property.

B. Pre-HAP Contract Inspections

HACN will inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.

C. Turnover inspections

Before providing assistance to a new Family in a contract unit, HACN must inspect the unit. HACN may not provide assistance on behalf of the Family until the unit fully complies with the HQS.

D. Annual inspections

At least annually during the term of the HAP Contract, HACN will inspect a random sample, consisting of at least twenty percent (20%) of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. If more than twenty percent (20%) of the annual sample of inspected contract units in a building fails the initial inspection, HACN shall conduct follow-up inspections and conduct inspections as needed.

E. Housing accessibility for persons with disabilities

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the implementing regulations at 24 CFR part 8.

Housing first occupied after March13. 1991 shall comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable.

F. Rent Reasonableness and Rental Adjustments

HACN will conduct a rent reasonableness survey on all units prior to the execution of the HAP contract. If the owner desires a rental adjustment at the anniversary of the HAP contract, the owner must request a rental adjustment in writing at least 90 days prior to the HAP contract anniversary. HACN will determine whether the rent requested is reasonable and will make the appropriate adjustments (increase or decrease) in order to comply with rent reasonableness requirements. HACN will only entertain rental adjustment requests at anniversary of HAP contract.

APPENDIX I. DEFINITION OF A PERSON WITH A DISABILITY

[24 CFR Parts 8.3 and 100.201]

A. FEDERAL CIVIL RIGHTS DEFINITION

A person with a disability, as defined under federal civil rights laws, is any person who has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or has a record of such impairment, or is regarded as having such impairment.

B. PHYSICAL OR MENTAL IMPAIRMENT

1. The phrase "physical or mental impairment" includes; any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems:

- neurological; musculoskeletal;
- special sense organs;
- respiratory, including speech organs;
- cardiovascular;
- reproductive;
- digestive;
- genito-urinary;
- hemic and lymphatic;
- skin; and endocrine;

or any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

2. The term "physical or mental impairment" includes, but is not limited to such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction, and alcoholism.

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

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

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

C. THOSE NOT INCLUDED

The definition of a person with disabilities does not include persons who currently engage in illegal drug use, persons whose alcohol use interferes with the rights of others, and persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program.

D. ENTITLED TO REASONABLE ACCOMMODATION

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

E. HUD DEFINITION

1. The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes determining eligibility for the disabled family preference, the $400 elderly/disabled household deduction, the $480 dependent deduction, the allowance for medical expenses, and/or the allowance for disability assistance expenses.

2. The definition of a person with a disability for purposes of the HACN granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet will qualify for a reasonable accommodation in order for the HACN to provide equal opportunity.

APPENDIX II. REASONABLE ACCOMODATION POLICY

A. HACN POLICY STATEMENT

1. During the application and recertification process, the HACN staff will advise applicants and participants of its Reasonable Accommodation Policy. Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the Housing Authority, or result in a “fundamental alteration” in the nature of the program or services offered.

2. The types of reasonable accommodations the HACN may provide includes changes, exceptions, or adjustments to a rule, policy, practice, or service which enable a person with disability to have equal access to the housing programs.

3. Types of reasonable accommodations - The HACN may modify typical program procedures to accommodate the needs of a person with disabilities. Examples include:

- permitting applications and reexaminations to be completed by mail;
- conducting home visits;
- using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the HACN range) if the HACN determines this is necessary to enable a person with disabilities to obtain a suitable housing unit;
- providing time extensions for locating a unit due to a lack of availability of accessible units or special challenges of the family in seeking a unit;
- permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with HACN staff;
- displaying posters and other housing information in locations throughout the HACN's office in such a manner as to be easily readable from a wheelchair.

4. Request for an Accommodation - If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HACN will treat the information as a request for a reasonable accommodation, even if no formal request is made.

It is the HACN’s Policy to encourage the family to make its request in writing using a reasonable accommodation request form. However, the HACN will consider the accommodation if the family indicates that an accommodation is needed whether or not a formal written request is submitted.

5. Verification of Disability - Before providing an accommodation, the HACN will determine that the person meets the definition of a person with a disability, as defined under federal civil rights laws found in 24 CFR Parts 8.3 and 100.201, and that the accommodation will enhance the family's access to the HACN's programs and services. The HACN will verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

Third-party verification must be obtained from an individual identified by the family who is adequately knowledgeable to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability.

6. Approval of a Requested Accommodation - The HACN policy for approval or denial of accommodation is as follows: After a request for accommodation is made, the HACN will respond in writing within ten (10) business days of the request for an accommodation.

If the family has failed to identify a reasonable alternative accommodation, the HACN will notify the family, in writing, of its determination within fourteen (14) business days from the date of the most recent discussion or communication with the family.

If the HACN denies a request for an accommodation because it would impose an undue financial and administrative burden or fundamentally alter the nature of the HACN's operations, the HACN will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the program and without imposing an undue financial and administrative burden to the HACN.

B. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS [24 CFR 8.6].

1. HUD regulations require the HACN to ensure that persons with disabilities related to hearing and vision have reasonable access to the HACN's programs and services.

2. At the initial point of contact with each applicant, the HACN will inform all applicants of alternative forms of communication that can be used in place of plain language and written documents.

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

4. To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with HACN staff, individual assistance will be provided upon request.

5. Additional examples of alternative forms of communication are sign language interpretation, having material explained orally by staff, or having a third party representative (a friend, relative or advocate, named by the applicant) to attend all meetings, and receive, interpret, and explain housing materials.

C. PROGRAM ACCESSIBILITY FOR PERSONS WITH DISABILITIES

1. The HACN will comply with all of regulations pertaining to physical accessibility, including the following:

- PIH 2002-01 (HA), Accessibility Notice
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968

2. Notice PIH 2002-01(HA) Accessibility Notice will be posted in the HACN offices in a conspicuous place. The notice summarizes information about pertinent laws related to non-discrimination and accessibility in federally-funded housing programs.

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

D. DENIAL/TERMINATION OF ASSISTANCE FOR PERSONS WITH DISABILITIES

1. The HACN's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

2. When applicants with disabilities are denied assistance, the notice of denial will inform them of the HACN's informal review process, their right to request a hearing, and their right to request reasonable accommodations to participate in the informal review process.

3. When a participant family's assistance is terminated, the notice of termination will inform them of the HACN's informal hearing process, their right to request a hearing, and reasonable accommodation to participate in the informal review process.

APPENDIX III. COMPLAINTS AND APPEALS

A. HACN POLICY FOR COMPLAINT AND APPEALS

The HACN will respond within fourteen (14) days to complaints from families, Owners, employees, and members of the public. All complaints will be documented and retained in the HACN's files. The HACN does not require that complaints are in writing. Complaints may be reported by telephone. The informal review may be conducted by any person or persons designated by the HACN (Hearing Officer), other than a person who made or approved the decision under review or a subordinate of this person.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS [24 CFR 982.54(d)(12), 982.554]

1. Informal reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

2. When the HACN determines that an applicant is ineligible for the program, the family will be notified of their ineligibility in writing. The notice will contain:

- the reason(s) they are ineligible;
- the procedure for requesting an informal review if the applicant does not agree with the decision; and
- the time limit for requesting an informal review.

3. The HACN will provide applicants with the opportunity for an informal review of decisions denying:

- qualification for preference;
- placement on the HACN's waiting list;
- issuance of a voucher;
- participation in the program;
- assistance under Portability procedures.

4. Informal reviews are not required for established policies and procedures and HACN's determinations.

5. Procedure for informal review

A request for an informal review must be received in writing by the close of the business day, no later than fourteen (14) calendar days from the date of the HACN's notification of denial of assistance.

The informal review will be scheduled within fourteen (14) calendar days from the date the request is received.

The applicant will be given the option of presenting oral or written objections to the decision.

Both the HACN and the family may present evidence and witnesses.

The family may use an attorney or other designated representative to assist them at their own expense.

The informal review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the informal review findings will be provided in writing to the applicant within fourteen (14) calendar days after the review. It will include the decision of the Hearing Officer, and an explanation of the reasons for the decision.

All requests for an informal review, supporting documentation, and a copy of the decision will be retained in the family's file.

C. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

1. The HACN will give a participant family an opportunity for an informal hearing to consider whether the following HACN decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HACN policies. These include:

- a determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment;
- a determination of the appropriate utility allowance (if any) for tenant-paid utilities from the HACN utility allowance schedule;
- a determination of the family unit size under the HACN subsidy standards;
- a determination to terminate assistance for a participant family because of the family's action or failure to act;
- a determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under HACN policy and HUD rules;
- a determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account.

2. When the HACN makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants will be notified in writing. The HACN will provide the opportunity for an informal hearing before termination of assistance. The HACN will give the family prompt notice of such determinations which include:

- the proposed action or decision of the HACN;
- the effective date the proposed action or decision will take place;
- the family's right to an explanation of the basis for the HACN's decision;
- the procedures for requesting an informal hearing if the family disputes the action or decision;
- the time limit for requesting the informal hearing.

3. Informal hearings are not required for:

- established policies and procedures and HACN determinations;
- discretionary administrative determinations by the HACN;
- general policy issues or class grievances;
- establishment of the HACN schedule of utility allowances for families in the program;
- a determination to deny an extension request or the decision to suspend a voucher term;
- determination not to approve a unit or lease if the unit is not in accordance with HQS because of the family size;
- a determination to exercise or not exercise any right or remedy against the Owner under a HAP contract.

4. Procedure for informal hearing - A request for an informal hearing must be received in writing by the close of the business day, no later than fourteen (14) calendar days from the date of the HACN's notification of termination of assistance.

5. Notification of informal hearing - When the HACN receives a request for an informal hearing, a hearing may be scheduled within fourteen (14) calendar days, depending on the availability of the Hearing Officer. The notification of the informal hearing will contain:

- the date and time of the hearing;
- the location where the hearing will be held;
- the family's right to bring evidence, witnesses, legal or other representation at the family's expense;

- the right to view any documents or evidence in the possession of the HACN upon which the HACN based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than seven (7) calendar days before the hearing date. The notice will provide the due date for requesting documents;
- a notice to the family that the HACN will request a copy of any documents or evidence the family will use at the hearing. The notice will provide the due date for submission of documents, generally seven (7) calendar days before the hearing.

6. The HACN's informal hearing procedures are as follows:

After an informal hearing date is scheduled, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family or of a family member. Incarceration does not constitute “good cause.”

If the family does not appear at the scheduled time, the informal hearing will proceed with information presented by the HACN. The Hearing Officer will wait twenty-four (24) hours before rendering a decision. The Hearing Officer will have the authority to grant a continuance or new informal hearing date if the family can show “good cause” for the failure to appear.

At the informal hearing, families have the right to:

- present written or oral objections to the HACN's determination;
- examine the documents in the file which are the basis for the HACN's action and all documents submitted to the Hearing Officer;
- copy any relevant documents at their expense;
- present any information or witnesses pertinent to the issue of the hearing; and
- be represented by legal counsel, advocate, or other designated representative at their own expense.

The HACN has a right to present evidence and any information pertinent to the issue of the informal hearing, be notified if the family intends to be represented by legal counsel, advocate, or another party; examine and copy any documents to be used by the family prior to the hearing at the HACN’s expense; have its attorney present; and have staff persons and other witnesses familiar with the case present.

7. Hearing Officer - The informal hearing will be conducted by the Hearing Officer appointed by the HACN who is neither the person who made or approved the decision, nor a subordinate of that person. The Hearing Officer will be concerned only with the issue(s) for which the family has received the opportunity for hearing. Evidence presented at the informal hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. No documents, records,

or regulations may be presented which have not been provided to the other party within the specified time period before the hearing if requested by the other party.

The Hearing Officer may ask the family for additional information and/or might adjourn the informal hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer will determine whether the action, inaction or decision of the HACN is in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the informal hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

8. Notice of Findings - A notice of the informal hearing findings will be provided in writing to the HACN and the family within fourteen (14) calendar days and will include a clear summary of the decision and reason(s) for the decision. The HACN will provide written notice to the family if the decision involves money owed to the HACN. The notice will include the amount owed to the HACN and the date the decision goes into effect.

9. The HACN is not bound by hearing decisions if:

- The HACN is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the HACN hearing procedures;
- The decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

10. If the HACN determines that it is not bound by a hearing decision, the HACN will notify the family within fourteen (14) calendar days of the determination, and of the reason(s) for the determination.

D. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

1. Assistance to the family will not be delayed, denied, or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal. Assistance to a family will not be terminated or denied while the HACN hearing is pending, but assistance to an applicant may be delayed pending the HACN hearing.

2. INS Determination of Ineligibility - If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HACN will provide written notification to the applicant or participant within ten (10) days of the date of the determination of ineligibility of their right to appeal to the INS within

thirty (30) days or to request an informal hearing with the HACN either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HACN a copy of the appeal and proof of mailing or the HACN may proceed to deny or terminate. The time period to request an appeal may be extended by the HACN as a reasonable accommodation.

The request for a HACN hearing will be made within fourteen (14) days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen (14) days of receipt of the appeal to the INS.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is ineligible, and there are no other eligible family members the HACN will:

- deny the applicant family; or
- terminate the participant from the housing program if the family does not qualify for deferral; or
- if there are eligible members in the family, the HACN will offer to prorate assistance or give the family the option to remove the ineligible members.

Temporary deferral of termination of assistance - If a mixed family qualifies for prorated assistance (and does not qualify for continued assistance), but decides not to accept prorated assistance, or if a family has no members with eligible immigration status, the family may be eligible for temporary deferral of termination of assistance if necessary to permit the family additional time for the transition of those family members with ineligible status, and any other family members involved, to other affordable housing.

If any family member fails to provide documentation or certification as required by HUD regulation(s), that member is treated as ineligible. If all family members fail to provide required documentation or certification, the family will be denied or terminated for failure to provide.

Participants whose termination is implemented after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated are entitled to an informal hearing based on the right to an informal hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to an informal hearing in the same manner as terminations for any other type of fraud.

E. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CFR 982.204, 982.552(c)]

If the family which includes a person with disabilities is denied placement on the waiting list, or the HACN is terminating assistance, the HACN decision concerning such action is subject to consideration of reasonable accommodation in accordance with [24 CFR part 8].

APPENDIX IV. DRUG AND CRIMINAL ACTIVITY POLICY AND PROCEDURES

A. Purpose

It is the intention of HACN to fully endorse and implement a policy designed to help create and maintain a safe and drug-free community and keep the program participants free from threats to personal and family safety.

B. HUD Definitions

1. Under the family obligations listed at 24 CFR 982.551, members of the household will not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

2. Covered person for purposes of 24 CFR Part 982 and this Plan, includes a tenant, any member of the tenant's household, a guest, or any person under the tenant's control.

3. Drug means a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

4. Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.

5. Current use of illegal drugs is defined by the Americans with Disabilities Act (ADA) as "recently to justify a reasonable person's belief that a person's drug use is current or that continuing use is a real and on-going problem".

6. Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

7. Guest, for purposes of this Plan and 24 CFR part 5, subpart A and 24 CFR Part 982, means 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 provide consent on behalf of the tenant.

8. Household, for the purposes of 24 CFR Part 982 and this Plan, means the family and HACN-approved live-in aide.

9. Other person under the tenant's control, for the purposes of the definition of covered person and for 24 CFR Parts 5 and 982 and for this Plan, means that the 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 provide consent on behalf of the tenant. 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.

C. SCREENING FOR DRUG OR CRIMINAL BEHAVIOR

1. Screening of Applicants - In an effort to prevent drug related and other criminal activity, the HACN will endeavor to screen applicants as thoroughly and fairly in accordance with HUD regulations" as possible for drug-related and violent criminal behavior. Such screening will apply to any member of the household who is eighteen (18) years of age or older.

2. Standard for Violation - The HACN will deny participation in the program to applicants and terminate assistance to participants in cases where the HACN determines there is reasonable cause to believe that a household member is currently engaging in the use of a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the HACN determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse. The HACN has defined a "pattern of alcohol abuse" to mean if a family member is reported to the HACN as disturbing other residents once due to alcohol abuse, the family member is given a warning that the next reported occurrence with result in that family's termination from housing assistance.

3. "Engaged in or engaging in" violent criminal activity means any act within the past two (2) years by an applicant, participant, or household member which involved the violent criminal activity which did or did not result in the arrest and/or conviction of the applicant, participant, or household member.

D. MANDATORY DENIAL AND TERMINATION [24 CFR 982.54(d), 982.552(b), 982.553(a) (b)]

1. The HACN will permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing.

2. The HACN will deny admission to the program for applicants, and terminate assistance for program participants if the HACN determines that any household member is currently engaging in illegal use of a drug.

3. The HACN will deny admission to the program for applicants, and terminate assistance for program participants if the HACN determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

4. The HACN will deny admission to an applicant if the HACN determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

E. GROUNDS FOR DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.552(c)]

1. The HACN may deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any drug-related criminal activity.
- If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity.

2. Drug Related and Violent Criminal Activity

Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a three (3) year period beginning on the date of such eviction.

Applicants will be denied assistance if they have been evicted from federally assisted housing for violent criminal activity within the last three (3) years prior to the date of the certification interview.

Assistance will be terminated for participants who have been evicted from a unit assisted under any federally assisted housing program for drug-related or violent criminal activity during participation in the program within the last three (3) years prior to the date of the notice to terminate assistance.

The household may be admitted if, after considering the individual circumstances of the household, the HACN determines that:

- The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the HACN;
- The circumstances leading to eviction no longer exist because:
- the household member has died;
- the household member is imprisoned;

- the household member is no longer a part of the household.

If the violating household member is a minor, the HACN may consider individual circumstances with the advice of Juvenile Court officials.

3. Denial of Assistance for Sex Offenders - The HACN will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In screening applicants, the HACN will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

4. Notice of Termination of Assistance - If HACN decides to deny or terminate assistance to the family for drug or violent crime activity, the HACN will give the family written notice that states:

- the reason(s) for the proposed termination;
- the effective date of the proposed termination;
- the family's right, if they disagree, to request an informal review or informal hearing to be held;
- the date by which a written request for an informal review or hearing must be received by the HACN.

5. If the HACN proposes to terminate assistance for criminal activity as shown by a criminal record, the HACN will provide a copy of the criminal record to the subject and the tenant.

6. The HACN will simultaneously provide written notice of the contract termination for criminal activity to the Owner so that it will coincide with the termination of assistance. The Notice to the Owner will not include any details regarding the reason(s) for termination of assistance.

F. OWNER TERMINATION

1. The Owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the Owner determines they have engaged in the criminal activity regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction.

2. Termination of Tenancy Decisions - If the law and HUD regulations permit the Owner to take an action but don't require action to be taken, the Owner can decide whether to take the action. Relevant circumstances for consideration include:

- the seriousness of the offense;
- the effect on the community;
- the extent of participation by household members;
- the effect on uninvolved household members;
- the demand for assisted housing by families who will adhere to program family obligations;
- the extent to which leaseholder has shown personal responsibility and taken reasonable steps to prevent or mitigate the offending action;
- the effect on the integrity of the program.

3. The Owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

G. TERMINATION FOR ALCOHOL ABUSE BY HOUSEHOLD MEMBERS

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the HACN determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

H. REQUIRED EVIDENCE

The fact that an applicant or tenant was arrested for a disqualifying offense shall not be treated or regarded as proof that the applicant or tenant engaged in disqualifying criminal activity. The arrest may, however, trigger an investigation to determine whether the applicant or tenant actually engaged in disqualifying criminal activity. As part of its investigation, the HACN may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The HACN may also consider any statements made by witnesses or the applicant or tenant not included in the police report; whether criminal charges were filed; whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; and any other evidence relevant to determining whether or not the applicant or tenant engaged in disqualifying activity.

1. Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

2. Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

3. The HACN may terminate assistance for criminal activity by a household member under this section if the HACN has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

I. CONFIDENTIALITY OF CRIMINAL RECORDS

The HACN will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished. The criminal report will be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.

APPENDIX V. PROGRAM INTEGRITY

[24 CFR 792.101 to 792.204, 982.54]

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

The HACN will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

1. Referrals, Complaints, or Tips - The HACN will follow up on referrals from other agencies, companies, or persons which are received by mail, by telephone, or in person, which allege that a family is in non-compliance with, or otherwise violating, the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable.

2. Internal File Review - A follow-up review will be made if HACN staff discovers information or facts which conflict with previous file data, the HACN's knowledge of the family, or is in conflict with statements made by the family.

3. Verification of Documentation - A follow-up review will be made if the HACN receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, and reports from other agencies).

B. FRAUD PREVENTION

The HACN will utilize the following methods towards the prevention of fraud:

1. Program Orientation Session - Mandatory briefing sessions will be conducted by the HACN staff for all prospective program participants, either prior to or upon issuance of a voucher.

2. Review and Explanation of Forms - Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

3. Use of Instructive Signs and Warnings – Instructive signs will be conspicuously posted in the HACN's common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

4. Participant Certification - All family representatives will be required to sign a "Tenant Responsibility" form and a "Certification" form, in compliance with HUD's Participant Integrity Program Manual.

C. FRAUD DETECTION

1. Quality Control File Reviews - Prior to initial certification, and at the completion of all re-certifications, the number of files as required under SEMAP regulations will be reviewed. Such reviews will include, but are not limited to:

- assurance that verification of all income and deductions is present;
- authenticity of file documents;
- assurance that all forms are correctly dated and signed.

2. State Wage Data Record Keepers - Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

3. Credit Bureau Inquiries - credit bureau inquiries may be made when an allegation is received by the HACN regarding unreported income sources.

4. In all cases, the HACN will secure the written authorization from the program participant for the release of information.

D. THE HACN'S TREATMENT OF ALLEGATIONS OF ABUSE AND FRAUD

1. File Review - An internal file review will be conducted to determine if the subject of the allegation is a client of the HACN and, if so, to determine whether or not the information reported has been previously disclosed by the family.

2. Conclusion of Preliminary Review - If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the HACN will initiate an investigation to determine if the allegation is true or false.

E. INVESTIGATION OF ALLEGATIONS OF ABUSE AND FRAUD

1. If HACN determines that the allegations need to be investigated further, the following items may be considered in the determination of fraud or abuse;

- credit bureau inquiries;
- current or former employer verifications;
- neighbors or other witnesses;
- public records;
- other agencies;
- interviews with family members.

F. DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HACN

Documents and other evidence obtained by the HACN during the course of an investigation will be kept in the participant's file.

G. CONCLUSION OF THE HACN'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the appropriate HACN personnel for a finding.

H. EVALUATION OF THE FINDINGS

1. If it is determined that a program violation has occurred, the HACN will review the facts to determine:

- the type of violation (procedural, non-compliance, fraud);
- whether the violation was intentional or unintentional;
- what amount of money (if any) is owed to the HACN by the family;
- if the family is eligible for continued occupancy.

I. ACTIONS FOR DOCUMENTED VIOLATIONS

1. The HACN will propose the most appropriate remedy based upon the type and severity of the violation.

2. Procedural non-compliance - no money owed to HACN

A warning notice will be sent to the family with date for correction.

If the participant fails to comply with the HACN's notice, the HACN will initiate termination of assistance.

If a family complies with the HACN's notice, a HACN staff person will meet with him/her to discuss and explain the family obligations or program rules which were violated.

A Participant Counseling Report will be completed. One copy of the report will be provided to the family and one copy will be kept in the family's file.

3. Procedural non-compliance – overpayment of housing assistance

A notification of overpayment of assistance will be sent to the family. This notice will contain the following:

- a description of the violation and the date(s);
- any amounts owed to the HACN;

- a fourteen (14) day response period;
- the right to disagree and to request an informal hearing with instructions for the request of such hearing.

J. Intentional Misrepresentations

1. When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the HACN, the HACN will evaluate whether or not:

- the participant had knowledge that his/her actions were wrong; and
- the participant willfully violated the family obligations, HUD regulations, and/or the law.

2. When the participant willfully violated the law, any of the following circumstances will be considered adequate to demonstrate willful intent:

- an admission by the participant of the misrepresentation;
- that the act was done repeatedly;
- if a false name or Social Security number was used;
- if there were admissions to others of the violation(s);
- that the participant omitted material facts which were known to him/her;
- that the participant falsified, forged, or altered documents;
- that the participant uttered and certified to statements at a interim re-determination which were later independently verified to be false.

3. Dispositions of Cases Involving Misrepresentations - In all cases of misrepresentations involving efforts to recover monies owed, the HACN may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- Criminal Prosecution: If the HACN has established criminal intent, and the case meets the criteria for prosecution, the HACN may refer the case to the District Attorney, notify HUD's OIG, and terminate rental assistance.
- Administrative Remedies: The HACN will terminate assistance and demand payment of restitution in full and/or pursue restitution through civil litigation.

4. Monetary Restitution [24 CFR 792.204]

To permit HUD to audit amounts retained under monetary restitution, the HACN will maintain all records required by HUD, including:

- amounts recovered on any judgment or repayment agreement;

- the nature of the judgment or repayment agreement; and the amount of the legal fees and expenses incurred in obtaining the judgment or repayment agreement and recovery.

K. Notification to Participant of Proposed Action.

The HACN will notify the family of the proposed action no later than fourteen (14) days after the case has been determined.

L. OVERPAYMENTS TO OWNERS

The HACN will make every effort to recover any overpayments made as a result of Owner fraud or abuse. The HACN may reclaim the overpayment(s) owed to the HACN or to the tenant from future housing assistance payments for any units under contract with such Owner.

M. Conflict of interest

Neither the HACN nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the tenant-based programs in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

1. Any present or former member or officer of the HACN (except a participant commissioner);

2. Any employee of the HACN, or any contractor, subcontractor or agent of the HACN, who formulates policy or who influences decisions with respect to the programs;

3. Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or

4. Any member of the Congress of the United States.

5. Any member of the classes described in this section must disclose their interest or prospective interest to the HACN and HUD.

6. The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

APPENDIX VI. BRIEFING INFORMATION AND MATERIALS

The following is a list of information and materials given to the family during the Briefing Session:

1. a description of the method used to calculate the Housing Assistance Payment (HAP) for a family, including how the HACN determines the payment standard for a family; how the HACN determines total tenant payment for a family and information on the payment standard and the utility allowance schedule;
2. the term of the voucher, and the HACN policy for requesting extensions or suspensions of the voucher (referred to as tolling);
3. a description of the method used to determine the maximum allowable rent for an assisted unit;
4. where the family may lease a unit, including inside and outside the jurisdiction;
5. family and Owner responsibilities;
6. the HUD required Tenancy Addendum, which must be included in the rental agreement/lease;
7. the form the family must use to request approval of tenancy and a description of the procedure for requesting approval for a tenancy;
8. a statement of the HACN policy on providing information about families to prospective Owners;
9. the HACN Subsidy Standards including when and how exceptions are made;
10. the HUD brochure ,"A Good Place to Live", which includes how to select a unit that complies with HQS;
11. the HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home*;
12. information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form;
13. the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines and the phone numbers of the local fair housing agency;
14. if the family is currently living in a high poverty census tract in the HACN's jurisdiction, the briefing will also explain the advantages of moving to an area that does not have a high concentration of low-income families;
15. information regarding the HACN's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations;
16. a list of landlords or other parties willing to lease to assisted families or help in the search for units outside areas of poverty or minority concentration;

17. if the family includes a person with disabilities, notice that the HACN will provide a list of available accessible units known to the HACN;
18. in briefing a welfare-to-work family, the HACN will include specification of any local obligations of a welfare-to-work family and an explanation that failure to meet these obligations is grounds for HACN denial of admission or termination of assistance;
19. the family obligations under the program;
20. the grounds on which the HACN may terminate assistance for a participant family because of family action or failure to act;
21. HACN informal hearing procedures;
22. information packet including an explanation of how Portability works, including a list of neighboring housing agencies with the address and telephone number of a portability contact. A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration in the neighboring jurisdictions;
23. an Owner's Handbook, an HQS checklist, and a sample HAP contract;
24. the family's rights as a tenant and a program participant;
25. requirements for reporting changes between annual re-certifications;
26. information on security deposits and legal referral services;
27. the Family Self Sufficiency program and its advantages;
28. the Humane Society's information regarding renting with pets;

If requested, the HACN will give participants a copy of HUD Form 903 to file a complaint.

APPENDIX VII. VERIFICATION FACTORS

The chart below outlines the factors that may be verified and gives common examples of verifications.

Verification Requirements for Individual Items		
Item to Be Verified	3rd party verification	Hand-carried verification
General Eligibility Items		
Social Security number	An original Social Security issued document, which contains the name and SSN of the individual or an original document issued by a federal, state, or local government agency , which contains the name and SSN of the individual	An original Social Security card issued by the social security administration
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation number	INS card
Disability	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payments
Full time student status if student is 18 years or under	Letter from school	For high school students, any document evidencing enrollment

Verification Requirements for Individual Items		
Item to Be Verified	3rd party verification	Hand-carried verification
Need for a live-in aide	Letter from medical professional or other professional knowledgeable of the family member's condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, caregivers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating the medical expense	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet

Verification Requirements for Individual Items		
Item to Be Verified	3rd party verification	Hand-carried verification
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, Bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original purchase receipt and receipt at disposition, other evidence of worth
Income		
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	Letter from source, letter from organization receiving gift	Bank deposits, other similar evidence
Alimony/child support	Court order, letter from source, letter from County Human Services	Record of deposits, divorce decree

Verification Requirements for Individual Items		
Item to Be Verified	3rd party verification	Hand-carried verification
Periodic payments (i.e., social security, welfare, pensions, workers' compensation, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating - whether family member is enrolled - whether training is HUD-funded - whether the program is a State or local program - whether it is employment training - whether payments are for out-of-pocket expenses incurred in order to participate in a program	N/A

APPENDIX VIII. FAMILY SELF-SUFFICIENCY PROGRAM ACTION PLAN

A. PURPOSE

The purpose of the Family Self-Sufficiency program (FSS) is to promote the development of local strategies to coordinate the use of Department of Housing and Urban Development (HUD) Section 8 rental assistance program with public and private resources to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency.

The FSS program theory of change assumes that providing low-income residents who have stable housing with FSS opportunities will help those residents become independent of welfare assistance and more likely than without the program to eventually achieve full self-sufficiency (including no longer relying on housing assistance). Those opportunities involve: case management to assist in producing and following a five-year plan; referrals to resources to improve their education, employability and life skills; and a mechanism to build assets as a reward for the effort that they put into employment and as a resource to move up the economic ladder.

B. PROGRAM OBJECTIVE

The objective of the Family Self Sufficiency program is to reduce the dependency of the Section 8 program's low-income families on welfare assistance, Section 8 housing assistance, and other Federal, State and local subsidies.

The Family Self-Sufficiency program links participants to high-quality, comprehensive supportive services including education, job training, counseling, and other forms of social service assistance necessary to achieve personal and economic self-sufficiency. Economic self-sufficiency is defined as having the sustainable skills necessary to maintain employment paying a "living wage" that covers food, clothing, health care and shelter. Self-sufficiency also includes not only having the means to sustain basic needs and provide relief from the stress of living paycheck to paycheck, but also having the skills to take advantage of community resources, dignity, empowerment, and resources to put back into the system to support others.

A successful Family Self-Sufficiency program in Napa enhances the standard of living and self-esteem of the participants as they become more productive members of the community and are no longer dependent on government assistance.

C. DESCRIPTION OF FAMILIES EXPECTED TO PARTICIPATE

1. Demographics

   The Housing Authority City of Napa (HACN) has 1,292 families (including portables) receiving housing assistance as of July 1, 2012. There are about 8,400 families awaiting rental assistance on the HACN waiting list in Napa. The following demographics describe characteristics of Napa County residents, the heads of household of families receiving housing assistance, and the current FSS participants in the HACN FSS program as of July 1, 2012.

Race	Napa County* (%)	S8 Recipients (%)	FSS Participants (%)
White	81	93	91
Black	2	3	4
American Indian	†	2	0
Asian	7	1	4
Hawaiian/Pacific Islander	†	0.2	0
Some other race	6	†	†
Two or more races	3	†	†
Ethnicity			
Hispanic	32	24	33
Non-Hispanic	68	76	67
Disability			
Disabled	10	59	22
Non-Disabled	90	41	78
Sex			
Female	50	70	88
Male	50	30	12

*American Communities Survey 2010 3-Year Estimates
†Data insufficient

2. Number of Families Expected To Participate
   In accordance with HUD guidelines, the HACN is required to serve eighty-two (82) FSS Participants. This number will be reduced by one with each subsequent participant graduation.

3. Implementation Schedule

   The HACN implemented the FSS program in 1993 as required by HUD regulations. The HACN will implement any additional subsidies awarded in the future in accordance with HUD regulations.

D. FAMILY SELF-SUFFICIENCY PARTICIPANT NEEDS ASSESSMENT

During enrollment the HACN will conduct a Family Self-Sufficiency Participant Needs Assessment Interview with all new participants. The information that will be obtained through this survey will identify areas of need that must be addressed for the participants of the FSS program to be successful and attain self-sufficiency. The survey will address the following topics:

- Basic needs such as physical and mental health care, food and housing
- Employment needs
- Educational needs
- Childcare needs

- Transportation needs
- Other areas of significant need such as legal needs; homeownership; parent educational needs, and personal growth and development

E. PROGRAM COORDINATING COMMITTEE

The HACN has a Program Coordinating Committee (PCC) that assists the FSS program in securing commitments of public and private resources for the operation of the FSS program and to address the needs found in the FSS Participant Needs Assessment Interviews.

The HACN will continue to maintain the PCC in accordance with HUD regulations.

1. Membership

The PCC membership will include at least one representative from the HACN and at least one participant from the FSS program. Additional members are recruited from the local welfare agency, social service agencies, educational institutions, WIA program, and other public and private organizations that can be of assistance to FSS participants. The PCC may exist as a standing agenda item of an existing committee that includes the aforementioned representatives.

2. Responsibilities

Role of the PCC:

a. The PCC will act as an advisory body to the FSS program;
b. The PCC will enable the FSS program to access community resources and obtain commitments for services from social service providers;
c. The PCC will expedite and coordinate agreements between the HACN and potential service providers;
d. The PCC will provide a forum to promote collaboration and to eliminate duplication of services between agencies that serve the needs of low-income persons; and
e. The PCC will meet quarterly.

F. OUTREACH EFFORTS

The HACN will recruit potential FSS participants through a variety of modes in English and Spanish to ensure that all eligible families are aware of the opportunities available through the FSS program. Recruitment activities will include, but are not limited to: mailing informational brochures to all Section 8 participants; including FSS information in HACN publications; posting FSS information on lobby bulletin boards; providing informational brochures at the HACN office and other social service agencies; providing information regarding the FSS program to case workers from other social service agencies; and promotion through the local media. Additionally, all eligible HACN

Section 8 participants will be informed of the benefits of the FSS program at the initial program briefing and at each annual recertification appointment.

If these measures do not result in sufficient enrollment in the FSS program according to HUD requirements, the HACN will implement additional outreach activities to recruit eligible Section 8 participants.

G. FAMILY SELECTION PROCEDURES

Families selected for participation in the FSS program will be current participants of the HACN's Section 8 rental assistance programs.

H. FAMILY SELF-SUFFICIENCY PREFERENCES

The HACN gives a FSS selection preference to the following households:

1. *Incoming portable families with active FSS Contracts of Participation in accordance with Section 15A of this Plan;*

2. *Referrals under the Family Unification Program;*

3. *Households who have one or more members currently enrolled or on the waiting list for a self-sufficiency related service program provided by a designated partner agency.*

I. FAMILY SELF-SUFFICIENCY APPLICATION PROCESS

1. Interest Form

Any family interested in the FSS program will fill out a form or speak with FSS staff indicating their interest in the program. The HACN will maintain a list of interested candidates.

2. Orientation

The HACN will invite Section 8 recipients who have indicated their interest to attend an FSS orientation, offered periodically, as openings in the program become available, that will explain the benefits and requirements of the FSS program. Prospective FSS participants will be given an application for the FSS program at the orientation, in addition to informational materials describing the program.

3. Applications

Submittal of a completed application form constitutes notification to the HACN of the applicant's intent to join the FSS program. The FSS Coordinator will invite the applicant to an initial interview when a space on the program is available.

4. Motivational Task

The applicant will be required to bring a draft résumé to the initial interview. If the applicant needs assistance in creating a résumé, he or she may use the free services for job seekers offered by Napa County through Workforce Napa or for students offered by the Career Center through Napa Valley College. If those resources are not accessible to the applicant, the applicant may request help from FSS staff, with the résumé to be completed before the initial interview appointment.

5. Contract of Participation

At the initial interview the head of household will participate in a general assessment conversation following the outline of the FSS Needs Assessment, complete an initial Individual Training and Services Plan (ITSP) based on the family's needs and interests, and sign a FSS Contract of Participation (CoP). Referrals for more in-depth assessment in specific areas (i.e. education, career, financial) in order to clarify the participant's needs and goals for the purpose of revising the ITSP may be included as activities in the ITSP. A family will not be enrolled in the FSS program unless its head of household has signed a CoP and accompanying ITSP.

J. SELECTION OF PARTICIPANTS

Applicants may be asked to complete an assessment or assignment relating specifically to the development of their Individual Training and Services Plan (ITSP) as explained in **Section 10B** of this plan. Assignments may include, but are not limited to: obtaining a current credit report; completing career exploration; completing an educational assessment; developing a family budget; or seeking professional assistance for family members with substance abuse, health, or mental health issues.

Credit reports and assessment tools will be used only for the development and fulfillment of an ITSP for FSS participation. The HACN will not disqualify any client from participation in the FSS program due to a poor credit history or due to an assessment result.

1. Selection of Families

The HACN will consider a family eligible for the FSS program when the following conditions are met:

a. The family has attended an orientation to the FSS program;

b. The family has submitted a completed FSS application;

c. The family does not owe money to the HACN or any other Housing Authority;

d. The family has been recertified for housing eligibility within 120 days of the effective date of their CoP (the first day of the month following their contract signing). If an applicant family has not had a recertification within 120 days, they may request one for the purpose of enrolling in the FSS program.

e. The family does not require a service that is unavailable through the FSS program and its resources.

2. Selection of Incoming Portability Families with Current FSS Contracts

FSS participants from other jurisdictions who exercise portability into the jurisdiction of the Housing Authority City of Napa will be admitted into the FSS program in Napa in accordance with the portability guidelines in **Section 15** of this plan.

3. Selection System based on Application Date

The HACN shall select prospective participants in the order that their applications are received. If applications are submitted at the same time and there are limited available spaces, the HACN will give priority to applicants who expressed interest first, based on the list of interested candidates. If the first family on the list does not respond to the HACN's invitation for an initial interview appointment within fourteen (14) calendar days, or if the family misses its scheduled appointment more than once, that family forfeits its spot and the next family on the list will be selected.

K. DENIAL OF PARTICIPATION IN FAMILY SELF-SUFFICIENCY

The HACN shall deny participation in the FSS program to a family whose head of household previously participated in and exited the program for any reason within the last twelve months.

The HACN shall deny participation in the FSS program to a family whose head of household previously participated and was exited for failure to fulfill the responsibilities of the CoP, unless that family submits a written explanation demonstrating that its situation has changed to allow it to be more successful.

The HACN shall deny participation in the FSS program to a family whose head of household has already graduated from the FSS program and received escrow funds.

The HACN shall deny participation in the FSS program to a family that does not meet the requirements of the Family Selection Procedures described in Section 8C of this document.

Families denied participation in the FSS program may request an Informal Hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of notification of the decision to deny participation.

L. CERTIFICATION OF NONDISCRIMINATION

The HACN shall not deny any family or individual the equal opportunity to apply for or participate in the FSS program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability, or sexual orientation in full compliance with applicable Civil Rights laws.

The Housing Authority of the City of Napa will not discriminate against otherwise qualified persons because of their disabilities and will make reasonable accommodations to the person's disability to allow participation in the FSS program. The HACN may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens or fundamentally alters the nature of the program.

M. ACTIVITIES AND SUPPORT SERVICES

1. Certification of Coordination

The HACN has participated in and shall continue to participate in collaborations between service agencies such as the Napa County Workforce Investment Board, the Service Providers Information Network Committee, the Napa County One Stop Partners Committee, the Coalition of Nonprofit Agencies' Economic Self-Sufficiency Committee and the Season of Sharing Committee. These partnerships promote program coordination and strive to eliminate duplication of services between agencies serving the low-income population of Napa County.

The HACN shall additionally maintain certificates of coordination between itself and other agencies serving low-income persons in Napa County. These certificates secure participation on the Program Coordinating Committee to help develop services and activities, information and cooperation to facilitate the provision of self-sufficiency services, and data regarding the value of services provided. Certificates of coordination shall be maintained between the HACN and agencies such as:

- California Department of Rehabilitation
- Community Health Clinic Olé
- Community Resources for Children
- COPE Family Center
- Napa County Health & Human Services Agency Mental Health Services
- Napa County Health & Human Services Agency Self-Sufficiency Services
- Napa County Transportation Planning Agency

- Napa County Workforce Investment Board
- Napa Valley College

The HACN will initiate agreements with other local organizations as warranted to facilitate the goals and objectives of the FSS program, and to promote successful strategies for participants in the FSS program.

The agreements may include an estimate of the value of in-kind services provided to FSS participants per client to allow the HACN to track the amount and value of services provided by partner agencies.

2. MONITORING OF SERVICE QUALITY

The HACN will monitor the quality of service provided to FSS families by social service, educational, job training and other agencies. The monitoring will consist of two elements:

A. Family Self-Sufficiency Participant Referral for Services

The HACN will provide FSS participants with referral forms. The referral form or an alternative form of documentation shall be completed by the agency providing the service to ensure the participant did contact the agency and follow through with any scheduled appointments or classes.

B. Service Provider Review

FSS participants who were referred to another agency for services will be asked to complete an oral or written review of the quality of service provided.

N. INCENTIVES TO ENCOURAGE PARTICIPATION

1. Escrow Accounts

The HACN will establish and deposit funds to individual FSS escrow accounts for FSS participants according to HUD guidelines. Escrow funds will be disbursed to FSS participants under the conditions described in **Section 13** of this document.

2. Individual Training And Services Plan

The HACN will assist each FSS family to develop an Individual Training and Services Plan (ITSP) to help the participant determine the actions necessary to become self-sufficient. The ITSP will be a component of the participant's Contract of Participation. All FSS ITSPs will include interim goals stating that all family members will be independent of welfare assistance for a period of at least one year prior to the expiration of the FSS Contract of Participation, and that the head of household will be suitably

employed by the end of the contract. Other interim goals will be selected by the family in consultation with their FSS counselor, and should reflect progress toward self-sufficiency.

Other household members over the age of 18 may also create an ITSP. However, only the head of household is required to be suitably employed in order for the family to graduate from the FSS program.

3. Case Management

Each FSS family will be assigned an FSS case manager who will help refer that family to the resources to meet the goals in its ITSP, or to address any other issues that affect the family's ability to become or remain self-sufficient. Case managers will be available to meet with participants regularly at the Housing Authority office, on occasion at other sites within the Housing Authority's jurisdiction, or if necessary, at the participant's home, workplace, or any other appropriate place within the Housing Authority's jurisdiction. Participants are advised to meet with their case manager a minimum of twice per year, and to regularly remain in contact regarding ITSP activities through telephone, email, or social media, as needed. Notes from meetings and other communications will be maintained in the participants' files.

4. Training, Education, Workshops And Events

Through the PCC and other forums, the HACN will link FSS participants with employment, education, and other social service agencies to provide the supportive services necessary to develop self-sufficiency. These services may be provided through referrals or through collaboration with partner agencies to provide specialized services such as workshops to FSS participants. Participants are advised to participate in at least one workshop or other official FSS event per year, when available.

O. CONTRACT OF PARTICIPATION

All applicants to be enrolled in the FSS program will be required to sign a Contract of Participation to be fulfilled no later than five years after the effective date, with the exception stated in **Section 11C of this plan**. The HACN will use a contract format approved by HUD. The contract will include an Individual Training and Services Plan (ITSP) as defined in **Section 11B** of this plan. The contract will include the family's annual income, earned income, and the family rent (tenant rent plus utility allowance) in effect as of the effective date of the contract.

1. Family Responsibilities

Family responsibilities include, but are not limited to, the following requirements:

A. Head of Household Must

1) Seek and maintain suitable employment throughout the term of the contract;
2) Complete activities in the ITSP within the specified dates; and

3) Provide the HACN with information about the family's participation in the FSS program upon request, including information regarding employment, job interviews, training, educational attendance, and other FSS services and activities.

B. All Family Members Must

1) Comply with the terms of the Section 8 program and the rental agreement or lease; and

a. Comply with the family obligations under the Section 8 program.

2. Requirements For Successful Completion of the Contract of Participation

The contract will be successfully completed when the HACN determines that the family has fulfilled all of its responsibilities under the contract; or thirty percent (30%) of the family's monthly adjusted income equals or exceeds the Fair Market Rent (FMR) in effect at the time for the unit size for which the family qualifies under the HACN's Subsidy Standards.

3. Contract Extensions

A participant in the FSS program may request an extension of the contract if the family is unable to complete its goals within the five-year period due to circumstances beyond the family's control. Examples of such a circumstance would be a serious illness or involuntary loss of employment for the head of household. In addition, a family will be allowed an extension to allow the family to meet the interim goal of being welfare-free at least twelve (12) consecutive months prior to the expiration of the contract. Request for a contract extension must be made in writing (or verbally if writing is not possible) by the head of household. The Rental Assistance Program Supervisor will review extension requests in consultation with the Family Self-Sufficiency Coordinator. The HACN will grant no more than two (2) extensions of one (1) year each.

Families denied contract extensions may request an Informal Hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of notification of the decision to deny the extension.

4. Contract Amendment

An ITSP will be amended to reflect a participant's changed goals when goals removed from an ITSP are replaced with a reasonable alternative that will further the participant's progress toward self-sufficiency. Any amendments must be agreed to by the participant and their FSS counselor and the amended contract must be signed and dated by both parties.

5. Procedures for Graduation

A. Family Self-Sufficiency Family Responsibilities

To successfully graduate from the program, the family must:

1) Demonstrate that all interim and final goals in the Contract of Participation were completed on or before the expiration date of the contract;

2) Affirm that all family members are independent of welfare assistance (not counting transitional assistance);

3) Submit verification that the head of household is suitably employed or otherwise self-sufficient; and

4) Submit a request for completion review, in writing (or verbally if writing is not possible), to the HACN.

B. HACN Responsibilities

1) The HACN will review the request for consideration for graduation;

2) The HACN will respond in writing to a request for completion review within fourteen (14) calendar days of the receipt of the request and all required verifications; and

3) The HACN will disburse any accumulated escrow funds to the family upon determination of successful graduation under the guidelines in **Section 13** of this document.

6. Denial of Graduation Request

If the HACN determines that a participant did not successfully graduate from the FSS program, the participant may request an Informal Hearing to determine whether the decision to deny graduation was made in accordance with HUD regulations and the guidelines in this plan. A request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of the HACN's notification of the decision to deny graduation from the FSS program.

If the HACN determines the family did not successfully graduate from the FSS program, the family will forfeit the funds in its FSS escrow account. The HACN will use forfeited escrow funds in accordance with **Section 12C** of this plan.

P. MAINTENANCE OF ESCROW ACCOUNTS

The HACN will establish FSS escrow accounts for FSS participants whose portion of the rent increases due to an increase in their earned income. The escrow funds will be deposited in an interest-bearing, HUD-approved investment. Escrow credits will be deposited to the FSS account in accordance with HUD regulations.

1. Calculation of Escrow

FSS escrow credits will be calculated monthly and in accordance with HUD regulations. Interest on the FSS escrow account balances will be allocated quarterly.

2. Escrow Reports To Families

Each FSS family will be sent an account statement at least once annually. The report will include the escrow balance at the beginning of the reporting period, the amount of the family's escrow credits for the period, any deductions made from the account for the period, the amount of interest earned for the period, and the total balance in the account at the end of the reporting period.

3. Forfeiture of Escrow Funds

A participating family has no right to any funds from its FSS escrow account if the family's Contract of Participation is terminated, declared null and void, or the HACN determines, according to the regulations, that the family did not successfully graduate from the FSS program. The HACN will close the family's escrow account and will treat forfeited escrow funds as program receipts under the Section 8 program guidelines, or in accordance with HUD regulations at the time of the forfeiture.

Q. ESCROW DISBURSEMENTS

1. Interim Disbursements

A family participating in the FSS program may request an interim disbursement of escrow funds. The FSS Coordinator and the Rental Assistance Program Supervisor will review interim disbursement requests and submit a recommendation to the Housing Manager. The Housing Manager will make the final decision on all interim disbursement requests according to regulations and this Action Plan.

The HACN will inform the family in writing within fourteen (14) calendar days of the approval or disapproval of the interim disbursement request.

Families denied an interim disbursement may request an Informal Hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of notification of the decision to deny the interim disbursement.

A. Procedure

Interim disbursements will be made at the discretion of the HACN according to regulations and the following conditions:

1) The funds are needed to complete goals in the family's Contract of Participation (example: to pay for school costs or transportation to work);
2) The family can demonstrate completion of specific interim goals from its Contract of Participation;
3) The family is in good standing with regards to its Section 8 and FSS responsibilities;
4) Interim disbursements are granted for no more than seventy-five percent (75%) of the family's escrow balance at the time of the request;

5) Requests are made in writing (or verbally if writing is not possible) and include verification that the funds are required for the completion of a goal under the family's Contract of Participation;
6) The family demonstrates that any associated costs with the item or service to be purchased will fit within the family's budget;
7) The family provides information about the item or service to be purchased (i.e. estimates for car repair, registration information for a class, etc.); and
8) The funds will not be used to meet any recurring household expenses.

Interim escrow disbursements will be paid in the form of a check made payable directly to the agency, business, or individual providing the required items or services. The family must provide the HACN with verification that the purchase has been completed.

2. Final Disbursements

The participating family will receive a disbursement of its escrow funds upon successful completion of the Contract of Participation. The Rental Assistance Program Supervisor will review final disbursement requests and submit to the Housing Manager for approval. The family may use its final disbursement escrow funds for any purpose. However, to the head of household may include developing a plan for the use of the funds as a component of his or her ITSP.

A. Procedure

Upon determination of successful graduation from the FSS program, the family will receive a disbursement of the funds accumulated in its escrow account under the following conditions:

1) An amount equal to any money owed to the HACN will be withheld from the total escrow amount before disbursement;
2) The family must certify that no member receives welfare assistance and, if graduating due to ITSP completion, that no member has received it within the last twelve months. This prohibition does not include Section 8 rental assistance, social security, food stamps, subsidized childcare or MediCal; and
3) The head of household must provide verification of suitable employment.
4) If less than $ 10.00 of interest is calculated after disbursement of the escrow but earned prior to disbursement, the HACN will consider it an insignificant amount and consider the escrow paid in full. This is due to the cost burden of processing the payment.

If thirty percent (30%) of the family's monthly adjusted income equals or exceeds the Fair Market Rent (FMR) in effect at the time for the unit size for which the family qualifies under the HACN's Subsidy Standards, but any member if the family is still receiving welfare assistance at the time of graduation, the family will graduate from the program, but will forfeit the funds accumulated in its escrow account.

R. TERMINATION OR WITHHOLDING OF SERVICES

The FSS Contract of Participation will be terminated if the FSS family's Section 8 assistance is terminated.

1. Termination of the Contract of Participation

The HACN may terminate the family's Contract of Participation if:

a) The family and the HACN agree to terminate the contract (i.e. the family withdraws from the FSS program); or

b) The HACN determines the family has not fulfilled its responsibilities under the FSS program; or

c) An act occurs that is inconsistent with the purpose of the FSS program (such as noncompliance with the lease, noncompliance with the Section 8 program family obligations, fraud, or a violent or drug related criminal act); or

d) The HACN is permitted in accordance with HUD requirements; or

e) The HACN attempts to contact the family in writing or by phone, and the family does not respond to the contact within fourteen (14) calendar days; or

f) The family does not provide the HACN with requested information about their participation in the FSS program within a reasonable time period, including at a scheduled appointment; or

g) The family does not complete the contract prior to the expiration date; or

h) The family exercises portability to a jurisdiction that does not have a FSS program and the HACN is unable to manage the family's contract in their new location.

2. Termination Procedures

The Rental Assistance Program Supervisor will make the decision to terminate a family from the FSS program within the regulations and these policies and in consultation with the family's FSS case manager.

A family that withdraws from the FSS program voluntarily, submitting a voluntary exit form and discussing its reasons for exit with their FSS counselor, will be eligible to re-enroll at a later time as described in **Section 8B**. A family that is terminated under any other circumstance will be subject to the requirements of **Section 8D**.

The HACN will notify the family of the termination of its FSS Contract of Participation by mail. The family may request an Informal Hearing to determine whether the decision to terminate FSS participation was made in accordance with HUD regulations and the guidelines in this plan. A request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of notification of the decision to terminate participation.

S. PORTABILITY

1. Incoming Portables

The HACN is not obligated to accept incoming portable FSS participants into the FSS program. Acceptance of incoming portable clients into the HACN FSS program is at the

discretion of the HACN. The HACN will accept incoming a portable FSS participant if there is an available slot in the program, and if there is sufficient staff to cover the case management of the incoming participant.

It is the responsibility of all FSS families exercising portability into the jurisdiction of the HACN to notify the HACN of their status in the FSS program. Families that notify the HACN of their FSS status within ninety (90) days of the effective date of their lease in the HACN jurisdiction will be given priority in accordance with **Section 8C** of this plan. If the HACN accepts the family into the FSS program, the HACN will adopt the information in the family's existing Contract of Participation, but will require a new signed contract and an updated ITSP.

A. Procedures

1) Once notified by the incoming family, the HACN will contact the initial Housing Authority to request a copy of the family's Contract of Participation and to request a transfer of any escrow funds if the family's voucher is absorbed.
2) Incoming portable FSS families with current FSS contracts will be eligible for the FSS program if they contact the FSS Coordinator within ninety (90) days of the effective date of their lease up in the HACN jurisdiction. After ninety (90) days, the family will be placed on the waiting list as of the date the family notified the HACN of its FSS status.
3) Incoming portable FSS families must review and update their existing ITSP in consultation with their FSS counselor to reflect any changes in available services or participant goals as a result of their port to the HACN jurisdiction.
4) Incoming portable FSS families will not be considered participants in the HACN's FSS program until the updated CoP and ITSP has been executed by the family and the HACN.
5) Incoming portable families may continue in the FSS program of the initial PHA, if the initial PHA is willing to maintain the Contract of Participation and the FSS escrow account.

2. Denial of Acceptance of an Incoming Portable

The HACN will notify the incoming portable family of the denial of acceptance by mail. An incoming portable family with a current FSS Contract of Participation from its initial PHA that is denied acceptance into the FSS program of the HACN may request an Informal Hearing to determine whether the decision to deny acceptance was made in accordance with HUD regulations and the guidelines in this plan. A request for an Informal Hearing must be made in writing (or verbally if writing is not possible) within fourteen (14) calendar days of the date of notification of the decision to deny acceptance.

3. Outgoing Portables

It is the responsibility of the FSS family to inform the receiving PHA of its FSS status and to contact the FSS Coordinator at the receiving PHA.

A. Procedures

1) The family must live in the jurisdiction of the HACN at least twelve (12) consecutive months from the effective date of the contract before exercising portability, unless waived by the HACN due to extenuating circumstances. Reasons for waiver include medical or domestic violence reasons, other reasons affecting the health and safety of the participating family, or exercising portability in order to fulfill its self-sufficiency goals.
2) The HACN will make a good faith effort to locate and contact a FSS family that exercises portability to another jurisdiction. If the family does not respond within thirty (30) calendar days, the HACN may terminate the family's FSS contract in accordance with **Section 15** of this plan. If the contract is terminated, the family's escrow will be forfeited.
3) The HACN will notify the receiving Housing Authority that the family has an active FSS Contract of Participation and an escrow account, if applicable.
4) If the family's voucher **is absorbed** by the receiving housing authority and the family is accepted into the receiving housing authority's FSS program, the contract and escrow account funds will be transferred to the receiving housing authority.
5) If the family's voucher or FSS account **is not absorbed** by the receiving housing authority, ***and*** if the family can demonstrate that it can fulfill its responsibilities under the FSS contract in the new location, the HACN will allow the family to continue in the HACN's FSS program. In this case, the family must relocate to a jurisdiction in which the HACN can adequately oversee the family's participation in the program.
6) The HACN will terminate the family's Contract of Participation in accordance with **Section 14** of this plan if the family exercises portability to a jurisdiction that does not have a FSS program or if the family is not accepted into the new jurisdiction's FSS program and the HACN cannot adequately oversee the family's participation in the program or the family cannot demonstrate that it can fulfill its responsibilities under the FSS contract in the new location.

T. COMPLIANCE WITH MTCS FILING REQUIREMENT

The HACN will submit MTCS filing in accordance with HUD requirements. The HACN uses software and computer systems to record and transmit this data.

U. MEASUREMENT OF OUTCOMES

The HACN maintains a database that records statistics on FSS program participants. This information is submitted to HUD in the required MTCS 50058 format. In accordance with HUD requirements, the HACN will calculate the percentage of mandatory FSS slots filled and the percentage of FSS participants with escrow balances.

V. FAMILY'S RIGHT TO CONTINUED SECTION 8 ASSISTANCE

Participation in the FSS program is voluntary and is not required to receive Section 8 assistance. A family's election not to participate in the FSS program, or a family's election to participate but failure to complete the terms of the contract, will not affect the family's admission to, or continued participation in, the Section 8 program. Such decision will not affect the family's right to occupancy in accordance with its rental agreement or lease.

W. DEFINITION OF TERMS

The following are definitions of terminology used throughout this document.

A. ACRONYMS

ACC	Annual Contributions Contract
CFR	Code of Federal Regulations
CoP	Contract of Participation
FSS	Family Self-Sufficiency
FUP	Family Unification Program
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
ITSP	Individual Training and Services Plan
HACN	The Housing Authority City of Napa
SEMAP	Section Eight Management Assessment Program

B. TERMS

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA's consolidated ACC.

ADMINISTRATIVE PLAN. The HUD required written policy of the HACN governing its administration of the Section 8 rental assistance program.

APPLICANT (OR APPLICANT FAMILY). A family that has applied for admission to a program, but is not yet a participant in the program.

ANNUAL CONTRIBUTION. A written contract between HUD and the HACN. Under the contract, HUD agrees to provide funding for operation of the program, and the HACN agrees to comply with HUD requirements for the program.

CONTRACT OF PARTICIPATION. HUD form 52650. A five-year contract between the head of household and the HACN. The Contract of Participation must include an Individual Training and Services Plan (ITSP). The effective date of the Contract of Participation is the first day of the month following execution of the contract by the head of household and the HACN.

FAMILY SELF SUFFICIENCY PROGRAM (FSS). The program established by the HACN to promote self-sufficiency of assisted families, including the provision of supportive services.

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the Section 8 application as head.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HOUSING AUTHORITY CITY OF NAPA (HACN). The Housing Authority City of Napa administers the Section 8 and Family Self-Sufficiency Program for all of Napa County, and is referred to as the HACN throughout this document.

HUD REQUIREMENTS. HUD requirements for the Section 8 and FSS programs. HUD requirements are issued by HUD headquarters as regulations, Federal Register notices or other binding program directives.

INCOMING PORTABLE. A family that has left the jurisdiction of its initial PHA and has leased a unit in the jurisdiction of the Housing Authority City of Napa.

INITIAL PHA. In portability, the term refers to both:

- A PHA that originally selected a family that decides to move out of the jurisdiction of the selecting PHA; and
- A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

OUTGOING PORTABLE. A family initially leased up in the jurisdiction of the Housing Authority City of Napa that moves to a new (receiving) PHA's jurisdiction.

PARTICIPANT. A family that has been admitted to the HACN's FSS program. The family becomes a participant on the effective date of the Contract of Participation.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial family's PHA.

PROGRAM RECEIPTS. HUD payments to the HACN under the consolidated ACC, and any other amounts received by the HACN in connection with the Section 8 program.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, State, or local governments.

PUBLIC HOUSING AGENCY (PHA). Any state, county, municipality, or other governmental entity or public body which is authorized to administer the Section 8 program (or an agency or instrumentality of such an entity).

RECEIVING PHA. In portability, a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP). A set of criteria established by HUD for rating of housing authority performance. Housing authorities are given points for performance under a number of indicators.

SEEK AND MAINTAIN. Seeking employment will include regular participation in activities such as career development workshops, actively applying for jobs, and education intended to support a career. If a participant is not currently maintaining suitable employment, that participant should be seeking employment through the above activities.

SUITABLE EMPLOYMENT. Employment for a head of household that is appropriate to his or her skills, education, job training and career goals, as well as to available job opportunities in the area. Typically this will be full-time work (considered full-time by the employer, otherwise a minimum of 30 hours per week), or equivalent time spent in a combination of employment and education or career training. Reasonable accommodations will be made in extenuating circumstances such as disability. Self-employment is considered suitable if it meets the above criteria and the participant is earning an income equivalent to 30 hours a week at minimum wage. It is recommended that the participant follows a business plan created with the assistance of or is reviewed and approved by a small business development agency.

TENANT RENT. The amount payable monthly by the family as rent to the unit owner.

UTILITY ALLOWANCE. When the cost of utilities (except phone) is not included in the Contract Rent but is the responsibility of the tenant, the HACN estimates the cost of a reasonable consumption of utilities for an assisted unit. The utility allowance is only applicable to the portion of utilities paid by the tenant.

WELFARE ASSISTANCE. Income assistance from Federal or State welfare programs, including only cash maintenance payments designed to meet a family's ongoing basic needs. Includes assistance provided under TANF (formerly AFDC) and general assistance. Does not include assistance directed solely to meeting housing expenses, social security, short-term needs, nor programs that provide health care, childcare or other services for working families.

APPENDIX VIII-A

Housing Authority of the City of Napa

Family Self-Sufficiency Program

Family Self-Sufficiency Coordinator Responsibilities

General Description: Under the supervision of the Rental Assistance Program Supervisor, plans, coordinates and implements the Housing Authority Family Self-Sufficiency Program (FSS). The FSS Program Coordinator works with the Program Coordinating Committee (PCC) and with local service providers to assure the program participants are linked to the supportive services they need to achieve self-sufficiency.

The FSS Program Coordinator ensures through case management that the services included in participants' contracts of participation are provided on a regular, ongoing and satisfactory basis, and that participants are fulfilling their responsibilities under the contracts.

Typical Tasks: The FSS Coordinator will develop, plan, organize, implement, analyze and report on the activities of the Self-Sufficiency Program including program participant selection and orientation; develop self-sufficiency action plans and contracts with program participants; coordinate Section 8 Housing Specialists and program participants as necessary; maintain FSS participants progress files; serve as liaison with local providers of self-sufficiency services such as: employment opportunities, child care, transportation, job training, homemaking, parenting skills, money and household management, and other services necessary to assist participating families become self-sufficient; assist clients in making appointments and follow through on program goals; monitor allocation and unsure maximum client participation; prepare related reports; serve as member of the Program Coordinating Committee; ensure that all components of the Action Plan are followed; up-date the FSS Action Plan as necessary; perform public speaking assignments and serve on local committees; interpret HUD regulations and guidelines relating to the Program, ensure compliance with all relevant HUD, FSS and Commission rules, including compliance with deadlines and program activities; perform related duties as required.

Other duties include: interview clients, assess clients' social needs and provide community referrals; develop comprehensive assessment of clients' employment readiness including aptitudes, educational and vocational achievements, and interests; explore and identify employment barriers; motivate, encourage and provide counseling; develop detailed employment plans; develop goals to be attained upon completion of program; determine earnings needed to enable client to become self-sufficient; refer clients to appropriate training and employment programs; confer with CalWORKs Welfare to Work Program, Workforce Investment Board and other relevant agency staff on plans for client training; develop cooperative relationships with community training, educational, rehabilitation and social agencies and prospective employers; make periodic home visits; and prepares and maintains case records, reports, and forms.

The FSS Coordinator must participate as a team member with other community agencies, coordinating project activities and case management with other agencies' operations; communicate effectively both orally and in writing; act responsively with respect to making recommendations on an individual's participation in the Self-Sufficiency Program; perform a variety of administrative support functions as necessary to ensure success of project operations; deal effectively and objectively with participants and applicants who have varied social economic, ethnic and educational backgrounds; conduct workshops for program applicants and clients; act as a resource person to clients, volunteer with other agencies, staff members, etc. regarding self-sufficiency services; provide requested information and when necessary refer inquiry to a more appropriate source; organize work and meet stringent time requirements; maintain accurate and systematic records; conduct and coordinate various data collection studies and surveys on the special needs and circumstances of a targeted client area; assist in preparing annual budgets and/or grant applications; and provide necessary input regarding the assigned project.

APPENDIX VIII-B

Housing Authority of the City of Napa

Family Self-Sufficiency Program

Family Self-Sufficiency Counselor Responsibilities

General Description: Under the direction of the Rental Assistance Program Supervisor the Self-Sufficiency Counselor will evaluate, case manage, coordinate activities, and counsel a caseload of participants in the Housing Authority of the City of Napa Family Self-Sufficiency Program.

The FSS Program Coordinator may ensure that the services included in participants' contracts of participation are provided on a regular, ongoing and satisfactory basis, and that participants are fulfilling their responsibilities under the contracts.

Essential Functions:

1. Assesses the social services and special needs of participants by providing general case management and coordination of referrals to social services agencies and community resources.
2. Provide or arrange for training programs, conduct orientations, evaluations and appraisals of participants.
3. Educate participants on the availability of supportive services, application procedures, client rights, etc.
4. Assists in the preparation of newsletters, brochures, informational packets, correspondence, etc. in support of the FSS Program.
5. Assists in "crisis intervention" as required on a case-by-case basis.
6. Counsels on empowering tenants/clients to make personal decisions, increase self-awareness, improve self-esteem and foster independence.
7. Input and retrieve information from a computer tracking system.
8. Develop and maintain business relationships with other agencies and the general public.
9. Attend and participate in educational workshops/seminars/conferences to increase skills and knowledge in such areas as deemed necessary.
10. Other duties related to the Family Self-Sufficiency Program as assigned.

APPENDIX IX. VAWA

NOTIFICATION REGARDING APPLICABLE PROVISIONS OF THE VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT OF 2013 (VAWA)

HACN will post the information regarding VAWA in its offices and on its Web site. It will also make the information readily available to anyone who requests it.

A. NOTIFICATION TO PARTICIPANTS

HACN will provide all participants notification of their protections and rights under VAWA at the time of admission and is available to participants at annual reexamination. Notification will also be provided when a tenant is notified of eviction or termination of housing benefits. This notice will explain the protections afforded under the law, and inform the participant of HACN confidentiality requirements. HACN provides contact information for local victim advocacy groups or service providers. HUD-50066 form will also be provided with the notification.

B. NOTIFICATION TO APPLICANTS

HACN will provide all applicants notification of their protections and rights under VAWA at the time they receive their Housing Choice Voucher and in any notice of denial of assistance. The notice will explain the protections afforded under the law, and inform applicants of HACN confidentiality requirements. HACN provides contact information for local victim advocacy groups or service providers. HUD-50066 form will also be provided with the notification.

C. NOTIFICATIONS TO OWNERS AND MANAGERS

HACN will inform property owners and managers of their screening and termination responsibilities related to VAWA. HACN will utilize any or all of the following means to notify owners of their VAWA responsibilities:

- As appropriate in day to day interactions with owners and managers.
- Inserts in HAP payments, 1099s, owner workshops, classes, orientations, and/or newsletters.
- Signs in the HACN lobby and/or mass mailings which include model VAWA certification forms.

D. EMERGENCY TRANSFERS

HACN will allow tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to transfer to another unit assisted under the Housing Choice Voucher program if the tenant expressly requests the transfer and the tenant reasonably believes that they are threatened with imminent harm from further violence if

they remain within the same dwelling unit (and in the case of a tenant who is a victim of sexual assault, the sexual assault occurred on the premises during the 90 day period preceding the request.)

These emergency transfers will be processed before all other voucher transfers and will be processed within two working days of the request.

HACN will require that all staff maintain confidentiality to ensure that they do not disclose the location of the dwelling unit to a person that commits an act of domestic violence, dating violence, sexual assault, or stalking against the tenant.

Information will not be entered into any shared database nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

HACN, when presented with a claim based on VAWA protections, will require that the individual making the claim document the abuse. The individual may satisfy HACN's request by providing any one of the following three forms of documentation:

a. A completed and signed HUD-approved certification form (HUD-50066) which must include the name of the perpetrator.

b. A federal, state, tribal, territorial, or local police report or court record.

c. Documentation signed by a person who has assisted the victim in addressing the abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The documentation must be provided or an extension must be requested within 14 calendar days of HACN's request. HACN may extend the deadline 14 additional days.

APPENDIX X. LAUREL MANOR A HACN-OWNED-SENIOR FACILITY

Laurel Manor is a HACN-owned senior facility for persons sixty-two (62) years of age or older. The HACN will allow voucher holders to use their Housing Choice Vouchers at this facility and shall be subject to the same program requirements that apply to other owners in the program.

A. The HACN will inform the family that they have the right to select any eligible unit available for lease, and a HACN owned unit is freely selected by the family, without HACN pressure or steering.

B. RENT

1. At all times during the term of the HAP contract, the rent at Laurel Manor will not exceed the reasonable rent.

2. The reasonable rent of a contract unit will be determined by comparison to rent for other comparable unassisted units utilizing such factors as the location, quality, size, unit type, amenities, housing services, maintenance, and utilities.

3. The reasonable rent will be determined by an independent entity approved by HUD. The independent entity will communicate the determination of rent reasonableness for HACN owned units to the HACN and the family.

4. This independent agency approved by HUD shall also assist the family with negotiating the rent to the HACN for the units at Laurel Manor.

C. HQS INSPECTIONS

1. The HACN will contract with an independent entity approved by HUD to conduct all HQS inspections for Laurel Manor and the independent entity will communicate the results of each inspection to the family and the HACN.

APPENDIX XI. CODE OF CONDUCT

This Code of Conduct shall govern the performance of any officer or employee of the Housing Authority of the City of Napa (HACN) or any contractor, subcontractor, or agent the HACN has engaged in the award and administration of programs supported by the Department of Housing and Urban Development funds.

The provisions and requirements of 24 CFR Section 84.42 and Section 85.36 (b) (3) are incorporated in this Code of Conduct by this reference. The requirements of these federal regulations will be adhered to, and in the event of a conflict in the requirements of any of such federal requirements, the stricter of any conflicting provisions will be adhered to.

No employee, officer or agents of the HACN shall participate in the selection, or in the award or administration of a contract supported by federal funds, if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when an employee; or agents, or any member of his or her immediate family; his or her partner; or an organization, which employs or is about to employ, any of the above; has a financial or other interest in the firm selected for award.

In accordance with program regulations at 24 CFR Part 383.330(e), no person who is an employee, agent, consultant, officer, or elected or appointed official of the person who is an employee, agent, consultant, officer, or elected or appointed official of HACN and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities may obtain a personal or financial interest or benefit from the activity or have an interest in any contract, subcontract, or agreement with respect hereto, or the proceeds there under, either for himself or herself or those with whom he or she has business ties, during his or her tenure or for one year thereafter.

The HACN employees, officers or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts.

The HACN will operate in compliance with all applicable laws, rules and regulations relating to various licenses, labor, wages, worker health and safety, environment and all other relevant laws.

Employees, agents and appointed officials should report observed violations of the Code of Conduct and illegal or unethical behavior to the HACN Executive Director or his or her designee. All reports will be treated in a confidential manner and it is HACN's policy to not allow retaliation for reports made in good faith of misconduct by others. The Executive Director or his or her designee will lead all investigations of alleged violations or misconduct. Employees are expected to cooperate in internal investigations of misconduct and violations of this Code of Conduct.

In the event of an alleged violation of such standards by any officer or employee of the HACN or any contractor, subcontractor, or agent of the HACN, the Executive Director will conduct a thorough investigation into the violation and take appropriate disciplinary action. Violations of this Code of Conduct will invoke penalties and sanctions consistent with applicable Federal and State laws.

APPENDIX XII. AFFIRMATIVELY FURTHERING FAIR HOUSING FOR PARTICIPANTS AND APPLICANTS

HACN will take the following steps to affirmatively further fair housing for participants and applicants In addition the participants of this program will benefit from all existing Federal, State and Local fair housing requirements that are referenced in the body and appendices of the HACN Administrative Plan.

A. HACN currently contracts with Fair Housing Napa Valley (FHNV), a HUD-Qualified Fair Housing Enforcement Organization (QFHO). Through referrals to FHNV, HACN will inform participants and applicants how to file a fair housing complaint. FHNV will conduct fair housing intake to determine if the complaint is jurisdictional and, if investigation determines a probability of discrimination, will inform the referred person of the options available to him/her (i.e., filing a discrimination complaint with HUD or the State of California Department of Fair Employment and Housing; referral to private attorneys that specialize in fair housing law, etc.). Where a meritorious claim exists, FHNV will assist the referred person(s) with filing a fair housing complaint. HACN will also make the toll free number for the Housing Discrimination Hotline and the Federal Information Relay Service directly available to the person or his/her representative.

B. HACN will examine its existing programs to identify any impediments to fair housing choice that may exist.

C. HACN will address any impediments identified in the AI in a reasonable manner, as available resources permit. HACN will endeavor to identify such resources and address any impediments permitted by such resources in a reasonable and timely manner.

D. Where essential, HACN will work with local jurisdictions, FHNV, other service providers, landlords, and various legal entities to implement actions to affirmatively further fair housing for participants and applicants.

E. HACN will maintain all records which reflect the actions, as mentioned above, that have been taken.

F. HACN will, if requested, assist program applicants and participants to gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition to the participation in the program.

G. HACN will work with property owners to encourage reasonable accommodation and/or structural alterations or modifications, and other accessibility features that are needed as an accommodation for the disability of the participant. In the event such owners are reluctant to make such accommodations, alterations, or modifications, HACN will confer with FHNV, which agency may be able offer additional education and/or conciliation services.

H. In accordance with rent reasonableness requirements HACN may approve higher rents to owners who agree to make structural alterations to accommodate persons with disabilities. In addition, the HACN may approve a higher payment standard up to 110% of the FMR or up to 120% of the FMR with HUD approval to ensure that a family with a person with disabilities can rent a unit that meets the disabled person's needs.

I. HACN will provide technical assistance to owners interested in making reasonable accommodation or units accessible to persons with disabilities through referrals to FHNV,

J. HACN will not deny other housing opportunities to persons who qualify for a HCV or otherwise restrict access to HACN programs to such applicants who choose not to participate.

K. HACN will ensure that all related staff undergo fair housing training at least once every two (2) years in order to remain up-to-date and knowledgeable as to current laws and regulations regarding compliance with the Fair Housing Act and its obligation to affirmatively further fair housing. Such training may be conducted by in-house staff which that been certified in Fair Housing issues, HUD, FHNV, or any other individual or agency qualified to provide such training.

L. HACN will provide housing search assistance by making available to voucher holders a list of available units and landlords that will accept vouchers and a list of subsidized apartment complexes that participate in the voucher program.

M. In an effort to prevent disabled persons from losing their vouchers and becoming homeless, the HACN will coordinate with designated representatives of a disabled person when needed. If the appropriate releases are signed by a program participant with special needs, the HACN will contact the designated service agencies if and when there is a problem with tenancy and/or compliance with HCV program requirements. The HACN will coordinate with the appropriate case manager(s) to address the problem before it leads to termination of assistance and/or tenancy.

APPENDIX XIII. GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF Annual Adjustment Factor - factor used to compute annual rent adjustment.

ACC Annual Contributions Contract

BR Bedroom

CDBG Community Development Block Grant

CFR Code of Federal Regulations

CPI Consumer Price Index - published monthly by the Department of Labor

ELI Extremely low income

FDIC Federal Deposit Insurance Corporation

FHA Federal Housing Administration

FICA Federal Insurance Contributions Act - Social Security taxes

FmHA Farmers Home Administration

FMR Fair Market Rent

FY Fiscal Year

FYE Fiscal Year End

GAO Government Accounting Office

GR Gross Rent

HAP Housing Assistance Payment

HCDA Housing and Community Development Act

HQS Housing Quality Standards

HUD Department of Housing and Urban Development

HURRA Housing and Urban/Rural Recovery Act of 1983

IG Inspector General

IGR Independent Group Residence

IPA Independent Public Accountant

IRA Individual Retirement Account

MSA Metropolitan Statistical Area - established by the U.S. Census Bureau

PHA Public Housing Agency

PMSA Primary Metropolitan Statistical Area

PS Payment Standard

QC Quality Control

RFAT Request for Approval of Tenancy

RFP Request for Proposals

RRP Rental Rehabilitation Program

SRO Single Room Occupancy

SSMA Standard Statistical Metropolitan Area

TR Tenant Rent

TTP Total Tenant Payment

UA Utility Allowance

URP Utility Reimbursement Payment

B. TERMS USED IN SUBSIDIZED HOUSING

ADMINISTRATIVE PLAN - The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs.

ABSORPTION - In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family.

ADA - Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

ADJUSTED INCOME - Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE - Fee paid by HUD to the PHA for administration of the program.

ADMISSION - The effective date of the first HAP contract for a family

ANNUAL CONTRIBUTIONS CONTRACT (ACC) - A written contract between HUD and a PHA to provide funding for operation of the program.

ANNUAL INCOME - The anticipated total annual income of an eligible family from all sources for the 12-month period.

ANNUAL INCOME AFTER ALLOWANCES. The annual income less the HUD-approved allowances.

APPLICANT - A family that has applied for admission to a program, but is not yet a participant in the program.

ASSISTED TENANT - A tenant who pays less than the market rent.

CHILD CARE EXPENSES - Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

CO-HEAD - An individual in the household who is equally responsible for the lease with the Head of Household.

CONTIGUOUS MSA - In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

CONTINUOUSLY ASSISTED - An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

DEPENDENT - A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a disabled person or handicapped person, or is a full-time student 18 years of age or over.

DISABILITY ASSISTANCE EXPENSE - Anticipated costs for care aides and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

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.

DISPLACED PERSON/FAMILY - A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

DRUG-RELATED CRIMINAL ACTIVITY - The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802).

ECONOMIC SELF-SUFFICIENCY PROGRAM - Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families

ELDERLY FAMILY - A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

ELIGIBLE FAMILY - A family is defined by the PHA in Chapter Four of the Administrative Plan.

EXCESS MEDICAL EXPENSES - Any medical expenses incurred by elderly or disabled families only in excess of 3% of annual income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY - A family whose annual income does not exceed thirty (30) percent of the median income for the area, as determined by HUDFAIR HOUSING ACT. Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.)

FAIR MARKET RENT (FMR) - The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe, and sanitary rental housing

FAMILY RENT TO OWNER -The portion of the rent to Owner paid by the family.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM) - The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE - The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE - The appropriate number of bedrooms for a family as determined by the PHA under the PHA's subsidy standards.

FULL-TIME STUDENT - A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

GROSS RENT -The sum of the rent to Owner and the utility allowance.

HEAD OF HOUSEHOLD - The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 - Act in which the U.S. Housing Act of 1937 was re-codified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT -The monthly assistance payment by a PHA to the Owner.

HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP contract) - A written contract between a PHA and an

HOUSING QUALITY STANDARDS (HQS) -The HUD minimum quality standards for housing assisted under the tenant-based programs.

IMPUTED ASSET - Asset disposed of for less than Fair Market Value during the two years preceding examination or reexamination.

IMPUTED INCOME - Calculation used when assets exceed $5,000.

IMPUTED WELFARE INCOME - An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's share of the rent.

INCOME - Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INITIAL PHA. In portability, the term refers to a PHA that originally selected a family for participation in the tenant-based program that family later decides to move out of the jurisdiction of the selecting PHA.

LANDLORD - This term means either the Owner of the property, his/her representative or the managing agent or his/her representative as designated by the Owner.

LEASE - A written agreement between an Owner and a tenant for the leasing of a dwelling unit to the tenant.

LEASE ADDENDUM - The lease language required by HUD in the lease between the tenant and the Owner.

LIVE-IN AIDE - A person who resides with an elderly person or disabled person and who is determined to be essential to the care and well-being of the person, is not obligated for the support of the person, and would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE - A PHA preference used by the PHA for the admission of families.

LOW-INCOME FAMILY - A family whose annual income does not exceed eighty (80) percent of the median income for the area, as determined by HUD, with adjustments for income allowances in accordance with HUD regulations.

MEDICAL EXPENSES - Those total medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, that are not covered by insurance.

MIXED FAMILY - A family with family members who are citizens and have eligible immigration status and family members who are not citizens and do not have eligible immigration status as defined in 24 CFR 5.504(b) (3).

MONTHLY ADJUSTED INCOME - 1/12 of the annual income after allowances or adjusted income.

NEAR-ELDERLY FAMILY - A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62, or two or more persons who are at least 50 years of age but below the age of 62 living together, or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

NET FAMILY ASSETS - Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment.

PARTICIPANT - A family that has been admitted to the PHA's program and is currently assisted in the program.

PAYMENT STANDARD - The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

PERSON WITH DISABILITIES - A person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, and substantially impedes the ability to live independently.

PORTABILITY - Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

PUBLIC HOUSING AGENCY (PHA) - Any State, county, municipality or other governmental entity or public body which is authorized to administer the housing programs authorized by HUD.

REASONABLE RENT - A rent to Owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

RECEIVING PHA - A PHA that receives a family selected for participation in the tenant-based program of the initial PHA.

RECERTIFICATION - Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months

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.

RESIDENCY PREFERENCE - A PHA preference for families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area.

SECURITY DEPOSIT - A dollar amount which can be applied to unpaid rent, damages, or other amounts to the Owner under the lease.

SHARED HOUSING - A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

SPECIAL ADMISSION - Admission of an applicant that is not on the PHA waiting list or admission of an applicant without considering the applicant's waiting list position.

SPECIFIED WELFARE BENEFIT REDUCTION - Those reductions of welfare benefits that may not result in a reduction of the family rental contribution including a reduction of welfare benefits as a result of fraud in connection with the welfare program, or due to welfare sanction for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SUBSIDY STANDARDS - Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

SUSPENSION/TOLLING - Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.

TENANT RENT - The amount payable monthly by the family for rent to the unit Owner.

TOTAL TENANT PAYMENT (TTP) - The total amount the HUD rent formula requires the tenant to pay toward gross rent and utility allowance.

UTILITIES – Utilities include water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services.

UTILITY ALLOWANCE - The typical cost of utilities including the range and refrigerator, and other housing services for an assisted unit not included in the contract rent and is the responsibility of the family occupying the unit.

UTILITY REIMBURSEMENT - In the voucher program, the portion of the housing assistance payment which exceeds the amount of the rent to Owner.

VERY LOW INCOME FAMILY - A lower-income family whose annual income does not exceed fifty (50%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

VIOLENT CRIMINAL ACTIVITY - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

VOUCHER - A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy that are waiting for a subsidy to become available.