

City of Midland Housing Authority

Section 202 - Section 8 New Construction

Tenant Selection Plan

and

Key Procedures

December 19, 2018



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City of Midland Housing Authority

Section 202 - Section 8 New Construction

Tenant Selection Plan and Key Procedures

November 6, 2018

Notes: This document includes the mandatory and recommended topics for a Tenant Selection Plan. It also contains some key procedures that are required for the New Construction Program and is compliant with the Section 202 Direct Loan regulations at 24 CFR, Part 891, subpart E. The source documents are HUD Handbook 4350.3 Revision-1 Change 4 titled Occupancy Requirements of Subsidized Multifamily and 24CFR Part 880, Section 8 Housing Assistance Payments Program for New Construction.

The term “Property Manager” in this Policy is inclusive of any person(s) or entity having responsibility for the specific subject matter being addressed. It may not necessarily refer to the manager of a specific building.

Project Identification and date of Construction:

| | | |
|----------------------|----------|------------------|
| Langtry Village | 85 units | Constructed 1985 |
| 2200 N. Pecos | | 20 one bedrooms |
| Midland, Texas 79705 | | 65 efficiencies |

I. Required Topics

A. Project Eligibility Requirements

1. Project Specific Requirements: Units in Langtry Village are designated as Mixed – elderly/disabled.
2. The definitions for elderly and disabled will follow the definitions in HUD Handbook 4350.3, REV-1, and Figure 3-6.
3. a) Specifically, Definition B - Elderly Family, Definition G – Disabled (Handicapped) Family, Definition H –Person with a Disability (Handicapped) Person and Definition I –Nonelderly Disabled (Handicapped) Family.
 - b) **Definition B – Elderly Family. [24 CFR 891.505]** Elderly families are:
 - (1) Families of two or more persons, the head of which (or his or her spouse) is 62 years of age or older;

- (2) The surviving member or members of a family described in paragraph (1) living in a unit assisted under subpart E of this part (Section 202 loans) with the now deceased member of the family at the time of his or her death;
- (3) A single person who is 62 years of age or older; or
- (4) Two or more elderly persons living together or one or more such persons living with another person who is determined by HUD, based upon a licensed physician's certificate provided by the family, to be essential to their care or well-being.

c) Definition G – Disabled (Handicapped) Family. [24 CFR 891.505] Disabled (handicapped) family means:

- (1) Families of two or more persons the head of which (or his or her spouse) is a person with disabilities (handicapped);
- (2) The surviving member or members of any family described in paragraph (1) of this definition living in a unit assisted under subpart E of this part (Section 202 loans) with the deceased member of the family at the time of his or her death;
- (3) A single person with disabilities (handicapped person) over the age of 18; or
- (4) Two or more persons with disabilities (handicapped persons) living together, or one or more such persons living with another person who is determined by HUD, based upon a licensed physician's certificate provided by the family, to be essential to their care or well-being.

d) Definition H – Person with a Disability (Handicapped Person). [24 CFR 891.505 and 891.305] A person with disabilities means:

- (1) Any adult having a physical, mental, or emotional impairment that is expected to be of long continued and indefinite duration, substantially impedes his or her ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions.
- (2) A person with a developmental disability, as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8)), i.e., a person with a severe chronic disability that:
 - (i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - (ii) Is manifested before the person attains age 22;
 - (iii) Is likely to continue indefinitely;
 - (iv) Results in substantial functional limitation in three or more of the following areas of major life activity:
 - (A) Self-care,
 - (B) Receptive and expressive language,
 - (C) Learning,
 - (D) Mobility,
 - (E) Self-direction,
 - (F) Capacity for independent living, and
 - (G) Economic self-sufficiency; and
 - (v) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.
- (3) A person with a chronic mental illness, i.e., a person who has a severe and persistent mental or emotional impairment that seriously limits his or her ability to live independently, and whose impairment could be improved by more suitable housing conditions.

- (4) Persons infected with the human acquired immunodeficiency virus (HIV) who are disabled as a result of infection with the HIV are eligible for occupancy in the Section 202 projects designed for the physically disabled, developmentally disabled, or chronically mentally ill depending upon the nature of the person's disability. (24 CFR 891.505)

Note: A person whose sole impairment is alcoholism or drug addiction (i.e., who does not have a developmental disability, chronic mental illness, or physical disability that is the disabling condition required for eligibility in a particular project) will not be considered to be disabled for the purposes of the Section 202 program.

- (5) A person infected with the human acquired immunodeficiency virus (HIV) and a person who suffers with alcoholism or drug addiction, provided they meet the definition of "person with disabilities" in Section 811 (42 U.S.C) 8013(k)(2). A person whose sole impairment is a diagnosis of HIV positive or alcoholism or drug addiction (i.e., does not meet the qualifying criteria in Section 811 will not be eligible for occupancy in a section 811 project. (24 CFR 891.305).

e) Definition I – Nonelderly Disabled (Handicapped) Family. [24 CFR 891.505]

A nonelderly disabled (handicapped) family means a disabled family in which the head of the family (and spouse, if any) is less than 62 years of age at the time of the family's initial occupancy of a project.

B. Citizenship Requirements

1. Protection from Liability for Property Managers

HUD will not take any compliance, disallowance, penalty, or other regulatory action against the Property Manager with respect to any error in the determination of eligibility for assistance based on citizenship or immigration status when:

- a) Eligibility is based upon verification of eligible immigration status through the verification system described in regulations and Handbook 4350.3.
- b) The Property Manager provided an opportunity for the family to submit evidence;
- c) The Property Manager waited for completion of the Department of Homeland Security's (DHS') verification of immigration status;
- d) The Property Manager waited for completion of the DHS appeal process; and
- e) The Property Manager provided an informal meeting.

2. Reviewing a Family's Citizenship / Immigration Status

The Property Manager will determine the applicant's citizenship or immigration status at the times described below in addition to the initial eligibility determination, prior to move-in.

- a) As part of the annual or interim recertification process, if the Property Manager did not previously collect the proper documentation or whose documentation suggested that their status was likely to change.
- b) If the status of a family member in a mixed family changes from ineligible to eligible, the family may request an interim recertification.
- c) The required evidence of citizenship / immigration status for any new family member must be submitted at the first interim or regular recertification after the person moves into the unit.

3. Notification to Applicants

- a) Each applicant, at the time of application, will be given notification of the requirement either to submit evidence of citizenship or eligible immigration status or to choose not to claim eligible status. The notification must contain the following:
 - i. State that financial assistance is contingent on submission and verification of citizenship or eligible immigration status;
 - ii. Describe the type of evidence that must be submitted;
 - iii. Give the time period in which evidence must be submitted; and

- iv. State that assistance may be prorated, denied, or terminated if any or all family members are determined ineligible for assistance.
 - b) The family may be notified that they are eligible for assistance, or for partial assistance, as a mixed family.
 - c) The Property Manager will notify families in writing if they are found to be ineligible based upon citizenship / immigration status.
4. Preparation to Collect Documentation of Citizenship / Immigration Status
To verify with the DHS the validity of documents provided by applicants, the Property Manager will:
 - a) Provide to the Multifamily Systematic Alien Verification for Entitlements (SAVE) Administrator at HUD Headquarters the complete name, address and contact information of the owner, or management agent acting on the owner's behalf, and a list of their project numbers and/or contract numbers.
 - b) Upon receipt of the access code, user ID, and temporary password from the Multifamily SAVE Administrator, the Property Manager will click the USCIS-SAVE System link from the property's Multifamily EIV home page.
5. Required Documentation of Citizenship / Immigration Status
 - a) The Property Manager will obtain the following documentation for each family member regardless of age:
 - i. From U.S. citizens, a signed declaration of citizenship; (Property Managers may require verification of the declaration of citizenship by requiring presentation of a U.S. birth certificate or U.S. passport.)
 - ii. From noncitizens 62 years and older, a signed declaration of eligible noncitizen status and proof of age;
 - iii. From noncitizen under the age of 62 claiming eligible status:
 - A signed declaration of eligible immigration status;
 - A signed consent form; and
 - One of the DHS-approved documents listed in the Handbook 4350.1, Rev-1.
 - b) Noncitizens not claiming eligible immigration status may elect to sign a statement that they acknowledge their ineligibility for assistance. This statement is in addition to their declaration of their citizenship status on the Citizenship Declaration form.

6. Timeframes for Submitting Evidence of Citizenship / Immigration Status to the Property Manager
 - a) Applicants must submit required documentation of citizenship / immigration status no later than the date the Property Manager requires verification of other eligibility factors.
 - b) If the applicant cannot supply the documentation within the specified timeframe, an extension of not more than 30 days may be granted, but only if the applicant certifies that the documentation is temporarily unavailable and additional time is needed to collect and submit the required documentation. Although the extension period may not exceed 30 days, the Property Manager may establish a shorter extension period based on the circumstances of the individual case.
 - c) The applicant must be informed in writing if an extension request is granted or denied. If the request is granted, the Property Manger must include the new deadline for submitting the documentation. If the request is denied, the Property Manager must state the reasons for the denial in the written response. When granting or rejecting extensions owners must treat applicants consistently.
7. Prohibition Against Delay of Assistance
 - a) The family's assistance may not be delayed if the family submitted its immigration documentation in a timely manner, but the DHS verification of appeals process has not been completed.
 - i. If a unit is available, the family has come to the top of the waiting list, and at least one member of the family has been determined to be eligible, the Property Manager must offer the family a unit. The Property Manager must provide assistance to the family member determined to be eligible and to those family members that submitted their immigration documents on time. If any family members did not provide the required immigration documentation, then the assistance for the family must be prorated.
 - ii. The Property Manager implements procedures to verify eligible immigration status in advance of other verification efforts.
 - iii. The Property Manager will continue to provide assistance to those family members who submitted their immigration documentation in a timely manner until their immigration status has been verified.
 - b) Once the Property Manager has determined the citizenship / immigration status of a family assisted prior to completion of the verification or appeal process, the Property Manager will:
 - i. Provide full assistance to a family that has established the eligibility of all of its members;

- ii. Offer continued prorated assistance to a mixed family,

8. Verifying Information on Immigration Status

The verification methods below may be used.

a) Primary verification

- i. The Property Manager will conduct primary verification of eligible immigration status only for persons claiming eligible immigration status.
- ii. The Property Manager will conduct primary verification through the SAVE web-based program.
- iii. After accessing the ASVI database, the Property Manager will enter the required data fields. The personal computer system will display one of the following messages for immigration status confirmation on the screen.
 - Lawful Permanent Resident
 - Temporary Resident
 - Conditional Resident
 - Asylee
 - Refugee
 - Cuban/Haitian Entrant
 - Conditional Entrant

b) Secondary verification

If the message institute secondary verification is displayed on the screen, the manual verification process must be used.

- i. Within 10 days of receiving an Institute Secondary Verification response, the Property Manager will prepare DHS Form G-845S, *Document Verification Request*. The Property Manager will send DHS Form G-845S and photocopies of the DHS documents submitted by the applicant to the DHS office serving the property's jurisdiction.
- ii. The DHS will return to the owner a copy of DHS Form G-845S indicating the results of the automated and manual search.

9. Appealing Determinations of Ineligibility

- a) The Property Manager must notify the family in writing as soon as possible if the secondary verification process returns a negative result. The family has 30 days from receipt of the notice to choose which option to follow.
- b) The family may appeal the owner's decision directly to the DHS. The family must send a copy of the appeal directly to the owner. The DHS should respond to the appeal within 30 days.
 - i. If the DHS decision results in a positive determination of eligibility, the Property Manager can provide the family with housing assistance.

- ii. If the DHS decision results in a negative determination of eligibility, the family has 30 days to request a hearing with the Property Manager.

10. Mixed Families

- a) A mixed family is one whose members include citizens and eligible immigrants as well as noncitizens without eligible immigration status.
- b) Mixed families that were in occupancy and received full assistance prior to the verification of citizenship / immigration status may be eligible for one of three types of assistance:
 - i. Continued assistance if the family was receiving assistance prior to June 19, 1995
 - ii. Prorated assistance
- c) Applicant families that are mixed are eligible only for prorated assistance.

11. Continued Assistance

- a) A mixed family who was receiving assistance on June 19, 1995, is entitled to continue receiving the same level of assistance if the following apply:
 - i. The family head, spouse, or co-head was a citizen or had eligible immigration status; and
 - ii. The family did not include any members who did not have eligible immigration status, except for the head, spouse, parents of the head of household, parents of the spouse, or children of the head or spouse.
- b) Eligibility for continued assistance must have been established prior to November 29, 1996.
- c) If, after November 29, 1996, anyone is added to a family, including a head of household, spouse, parents of the head of household or spouse, or children of the head of household or spouse, the family is not eligible for continued assistance at the full level, but may receive prorated assistance.

12. Prorated Assistance

If a family is eligible for prorated assistance and is not receiving continued assistance, and if the termination of the family's assistance is not temporarily deferred, the amount of assistance the family receives is adjusted based on the number of family members who are eligible compared with the total number of family members. The prorated assistance is calculated by multiplying a family's full assistance by a fraction. The number of eligible people in the family divided by the total number of persons in the

family determines the fraction. Then, this fraction is multiplied by the full assistance payment. The reduced assistance payment results in a revised tenant rent for the family.

13. Prohibition of Assistance to Noncitizen Students

Noncitizen students and their noncitizen families may not receive assistance. Noncitizen students are not eligible for continuation of assistance, prorated assistance, or temporary deferral of termination of assistance.

- a) A noncitizen student is defined as an individual who is as follows:
 - i. A resident of another country to which the individual intends to return;
 - ii. A bona fide student pursuing a course of study in the United States; and
 - iii. A person admitted to the United States solely for the purpose of pursuing a course of study as indicated on an F-1 or M-1 student visa.
- b) This prohibition applies to the noncitizen student's noncitizen spouse and children. However, spouses and children who are citizens may receive assistance. For example, a family that includes a noncitizen student married to a U.S. citizen is a mixed family.

C. Provisions for Applicants Disclosure and/or Documentation of Social Security Numbers (SSN)

An applicant may not be admitted until SSNs for all household members have been disclosed and verification provided.

1. If all household members have not disclosed and/or provided verification of their SSNs at the time a unit becomes available, the next eligible applicant must be offered the available unit.
2. The applicant who has not disclosed and provided verification of SSNs for all household members must disclose and provide verification of SSNs for all household members to the Property Manager within 90 days from the date they are first offered an available unit.
3. If the Property Manager has determined that the applicant is otherwise eligible for admission into the property, and the only outstanding verification is that of disclosing and providing verification of the SSN, the applicant may retain his or her place on the waiting list for the 90-day period during which the applicant is trying to obtain documentation.
4. After 90 days, if the applicant has been unable to supply the required SSN and verification documentation, the applicant should be determined ineligible and removed from the waiting list.
5. Circumstances When Tenants Must Provide SSNs
 - a) SSNs not Previously Disclosed and/or Verified. For applicants and tenants, SSNs must be disclosed and verification provided for any household member(s) who have not previously disclosed a SSN as of January 31, 2010, at the time of the next interim or annual recertification except for those individuals who do not contend eligible immigration status or tenants who are age 62 or older as of January 31, 2010, and whose initial determination of eligibility was begun before January 31, 2010. Verification will be obtained to confirm this exemption status.
 - b) Invalid SSN Disclosed. The head of household must be notified when the EIV Pre-screening Report or the Failed Verification Report (Failed the SSA Identity Test) in EIV identifies that a household member has provided an invalid SSN. Discrepancies identified in the SSN disclosed must be resolved and the correct SSN disclosed, verified and transmitted to TRACS.

- c) Assignment of a New SSN. If a tenant or any member of a tenant's household is or has been assigned a new SSN, the SSN must be disclosed and verification provided to the owner at:
- i. The time of receipt of the new SSN; or
 - ii. The next interim or regularly scheduled recertification; or
 - iii. Such earlier time as specified by the owner.

d) Adding a New Household Member.

i. Age Six or Older or Under the Age of Six with an Assigned SSN.

When adding a new household member who is age six or older, or is under the age of six and has a SSN, the tenant must disclose and provide verification of the SSN of the individual to be added to the household. This SSN must be provided to the owner at:

- The time of the request, or
- At the time the recertification that includes the new household member is processed.

ii. Under the Age of Six Without an Assigned SSN.

- The tenant must disclose and provide verification of the new household member's SSN within 90 calendar days of the child being added to the household or 90 calendar days after date of admission if the child was added to the assistance applicant household within six months prior to the date of admission.

Adequate verification may include:

A social security card issued by the Social Security Administration (SSA), an original document issued by a federal or state government agency which contains the name and SSN of the individual along with identifying information of the individual, a benefits award letter, life insurance policy, or court records.

- The Property Manager will grant an extension of an additional 90 calendar day period if it is determined, at the Property Manager's discretion, that the tenant's failure to comply is due to circumstances that could not have been foreseen and were outside

the control of the tenant, (e.g., delay in processing by SSA, natural disaster, fire, death in family, etc.)

- During the period that the owner is awaiting disclosure and verification of the SSN, the child is included as part of the household and shall be entitled to all of the benefits of being a household member, including the dependent deduction.
- A TRACS ID will be assigned to the child until the time the SSN is provided. At the time of the disclosure of the SSN, an interim recertification must be processed changing the child's TRACS ID to the child's verified SSN.
- If, upon expiration of the provided time period, the tenant fails to disclose and provide verification of the SSN, the tenant and the tenant's household are subject to termination of tenancy.

D. Income Limits

1. The income limit for admission is the very low-income limit, 50% of the Area Median Income. This limit includes the very low and extremely low limits. HUD may establish an income limit that is either higher or lower than 50% of the area median income due to unusually high or low incomes. (Pre – 1981 construction income limit is low income at 80% of AMI. Post – 1981 construction is very low income, 50% of AMI)
2. The two-person family income limit will be used when a sole member is pregnant. However, the assistance must be terminated if the Tenant Rent is greater than the Contract Rent. The family can still remain in the unit and pay full rent.
3. Rental assistance cannot be made to an over-income family without prior approval from the HUD Field Office.
4. Generally, a new admission must be eligible for at least a \$1.00 of HAP.
5. If the Property Manager is temporarily unable to lease all units to income eligible families, applicants with incomes that exceed the income limits may be added with prior written HUD approval.

E. Procedures for Accepting Applications, Selecting from the Waiting List, Applicant Screening, EIV Compliance, and Removal from the Waiting List

1. Procedures for Accepting Applications and Pre-applications

When the Waiting List is open, applications will be accepted at Langtry Village, 2200 N. Pecos, Midland TX.

- a) . Each person or family seeking admission to a unit must submit a written application. When applications are being accepted, the Property Manager accepts them as advertised in local newspapers. Families may contact the Property Manager during regular business hours to check Waiting List status. Steps for processing applications are outlined below. Accessibility is available or will be provided as a reasonable accommodation for the disabled.
- b) Family includes but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
 - i. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
 - ii. A group of persons residing together, and such group includes, but is not limited to a family with or without children (including children placed in foster care), an elderly family, a near elderly person, disabled family, displaced family, and the remaining member of a tenant family.
- c) Applications may be mailed to satisfy a reasonable accommodation or for limited English proficiency reasons.
- d) Unless the Waiting List is closed, the Property Manager will accept an application from any person or family who wants to apply, even if an informal discussion indicates that the applicant may not be eligible.
- e) The application must be signed by both the applicant and the Property Manager, date-stamped, time-stamped, and referred to a central resident selection and assignment office for processing.
- f) Each application will be processed only to the extent necessary to determine whether the applicant is apparently eligible.
- g) The application may be filled out by the applicant or by the Property Manager, but must be signed by the applicant and checked for completeness by the Property Manager in the presence of the applicant, before the application is submitted.
- h) The Property Manager may request documentation from the applicant needed to verify the information provided at the time the application is taken.

- i) The Property Manager will inform all applicants of the availability of any local preferences, and will give all applicants an opportunity to show they qualify for a preference.
- j) Applicants or residents cannot be required to undergo medical testing or verification of pregnancy.
- k) Proof of custody may be required in the following cases:
 - i. Written permission from a parent or another person with custody to care for a minor may be required in cases in which a minor is not a relative.
 - ii. Proof of custody may also be required when child custody is split.
 - iii. Verification may be required when the head of household or spouse is in the process of obtaining legal custody.
- l) If a family accepts a smaller unit, it may remain on the Waiting List for a larger unit and transfer when one becomes available.
- m) Pre-applications
 - i. As appropriate, pre-applications may be accepted when the Waiting List is open.
 - ii. Pre-applications will contain name, address, family members, SSN, income, and telephone number.
- n) Record of Waiting List
 - i. Each applicant's name will be placed on the Waiting List, based on the date and time the application is received and any applicable preferences. Mandatory data to include on the Waiting List includes date and time of application, name of Head of Household, annual income level, need for accessible units and / or features, preference status and unit size.
 - ii. Data such as race, ethnicity, gender, and number of household members should not be placed on the Waiting List.
 - iii. Consistent with the objectives of Title VI of the Civil Rights Act of 1964, other statutory requirements and HUD regulations and policies, the Property Manager will make offers from the Waiting List only based on the date and time of application, local preferences, and bedroom size needed.
- o) The application must include the information below from applicants.
 - i. Whether the applicant or any member of the applicant's household is subject to State lifetime sex offender registration in any state.
 - ii. Listing of states where the applicant and members of the applicant's household have resided.

- iii. Disclosure of SSNs for the applicant and for all members of the applicant's household, except those household members who do not contend eligible immigration status.
 - iv. Information from applicants who were age 62 or older as of January 31, 2010, and who do not have SSN, if they were receiving HUD rental assistance at another location on January 31, 2010. This information is needed to verify whether the applicant qualifies for the exemption from disclosing and providing verification of a SSN.
 - p) The application must include as an attachment Form HUD-92006, Supplement and Optional Contact Information for Application for Federally Assisted Housing.
2. Procedures for Selection from the Waiting List, Including Applying Preferences and Income Targeting
- a) There are no preferences being utilized in the selection of applicants as indicated in the Affirmative Fair Housing Marketing Plan.
 - b) Applicants will be assisted according to the date and time of application.
 - c) If preferences are adopted, they will not be adopted if they would have the purpose or effect of substantially delaying or denying the participation of other eligible families in the program on the basis of race, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation, or gender identity. Use of preferences required by local or state law and use of local residency preferences require HUD prior approval.
 - d) Income Targeting
 - i. During a fiscal year, at least 40% of the units that become available would serve extremely low-income families (30% of median area income). If an owner has actively marketed available units to extremely low-income families and has been unable to achieve the 40% target for admissions and initial certifications, the owner is permitted to rent to other eligible families after a reasonable marketing period has expired.
 - ii. Complete records of the marketing efforts targeted to extremely low-income families must be maintained and must demonstrate that reasonable efforts were made to fill available units with extremely low-income families. The Property Manager must also demonstrate that an ongoing effort to meet the 40% requirement is being made.
 - iii. Records noting the number and percent of extremely low-income residents will be maintained. If less than 40% of the units are leased to extremely low-income (ELI) residents, the next ELI applicant on the Waiting List will be offered a unit until the unit is leased.

- iv. An applicant that is not ELI may be skipped on the Waiting List in favor of an applicant who is ELI. In this case, the skipped applicant will be offered the next vacancy after the 40% income requirement is fulfilled.
- e) Procedures to Offer Section 504 Units
- i. When a Section 504 unit is vacant, the Property Manager will offer the unit to an existing tenant who needs the Section 504 features in the vacant unit. If there is a Transfer Waiting List, the unit will be offered to the first tenant in the Transfer Waiting List who needs the features in the unit.
 - ii. If no current tenants need the vacant Section 504 unit, the Property Manager will offer the unit to the next eligible applicant needing such a unit for the same bedroom size as the unit.
 - iii. If no applicants on the Waiting List for the Section 504 unit's size needs such a unit, the Property Manager will offer the unit to the next eligible applicant needing such a unit on the bedroom size closest to the unit's size, without making the unit overcrowded.
 - iv. If no applicants needing the features in the Section 504 unit are on the Waiting List, the Property Manager will offer the unit to the next eligible applicant on the Waiting List for the size of the Section 504 unit. However, the applicant must agree to transfer if an applicant needing the Section 504 features is placed on the Waiting List and is otherwise eligible. The current tenant in the unit will be given 30 days' notice to vacate when a non-Section 504 unit is vacant. The Property Manager will pay for this move.
3. Applicant Screening for Suitability
- Actions to be taken in this process are detailed below.
- a) The information to be considered by the Property Manager will be related to the individual attributes and behavior of an applicant, and will not be related to those actions which may be imputed to a particular group or category of persons of which an applicant may be a member.
 - b) The screening will cover the applicant's history for five years prior to the date when the screening is performed.
 - c) VAWA Compliance
 - i. An applicant for admission will not be denied admission on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant otherwise qualifies for admission.
 - ii. Denial of tenancy cannot be based solely on criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking if the tenant or affiliated individual of the tenant is the victim or threatened victim.
 - d) The information to be considered will be related to whether the conduct of the applicant in present or prior housing was such that it would likely interfere with other

residents by adversely affecting their health, safety, or welfare, or affect adversely the physical environment or financial stability of the development if the applicant was admitted. Relevant information concerning the habits or practices to be considered include the following:

- i. Past performance in meeting financial obligations, especially rent; (If credit reports are utilized, only data relative to rent payment history will be considered.)
 - ii. Rental history from previous owners/landlords;
 - iii. A record of disturbance of neighbors, destruction of property, or living or housekeeping habits at the current or prior residences which may adversely affect the health, safety, or welfare of other residents;
 - iv. Information from previous owners/landlords concerning housekeeping that would create health or sanitation problems;
 - v. A history of criminal activity involving drug-related activity, a pattern of alcohol abuse, crimes of physical violence to persons or property, or other criminal acts which would adversely affect the health, safety or welfare of other residents;
 - vi. A conviction for manufacturing or producing methamphetamine (speed);
 - vii. Eviction from federally assisted housing for drug-related criminal activity in the past three years; (The Property Manager may waive this requirement if the person demonstrates successful completion of a rehabilitation program approved by the Property Manager, or the circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.)
 - viii. Any household member is currently engaged in illegal drug use, or the Property Manager determines there is a reasonable cause, based on a conviction, to believe that the illegal use or pattern of illegal use of a drug may interfere with the health safety, or right to peaceful enjoyment of the premises by other residents;
 - ix. Any household member who is subject to a lifetime registration requirement under any State sex offender registration program; (This check must be carried out with respect to the state in which the housing is located and in states where members of the applicant household are known to have resided.)
- e) If the Agency reviews arrest records, the decision whether or not to lease will not be made solely on the content of the arrest records unless the arrest record indicates a conviction that would warrant denial of admission that occurred five years before the date of the screening.

4. Below are circumstances for which the Property Manager may reject an applicant for occupancy or assistance:
 - a) The applicant does not meet eligibility requirements for a particular unit or property.
 - b) The unit for which the family is applying is not their only residence.
 - c) The applicant is unable to disclose and provide verification of SSNs for all household members, except for those household members who do not contend eligible immigration status or tenants who were 62 or older on January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010.
 - d) The Head of Household, the spouse or co-head, and all other adults (age 18 and older) in each applicant family do not sign an Authorization for Release of Information (*HUD Form 9887 and 9887/A*) prior to being accepted and every year thereafter
 - e) The applicant has household characteristics that are not appropriate for the specific type of unit available at the time or has a family of a size not appropriate for the unit sizes that are available.
 - f) The household includes family members who did not declare citizenship or non-citizenship status, or sign a statement electing not to contend noncitizen status.
 - g) The family's annual income exceeds program income limits.
 - h) Applicant does not agree to pay rent required by the program under which the family will be receiving assistance.
 - i) The applicant does not meet the screening standards that have been established.
 - j) If the Property Manager determines that an applicant has falsified or misrepresented family income, composition, circumstances, conduct, or behavior, the Property Manager will, based on such falsification or misrepresentation, find the applicant ineligible for admission.
5. Consideration of Favorable Factors

If unfavorable information with respect to an applicant is received, the PHA will give consideration to the time, nature and extent of applicant's conduct, and to factors which might indicate a reasonable probability to favorable future conduct or financial prospects, including:

 - a) Evidence of successful completion of an appropriate rehabilitation program for drug or alcohol-related problems can be considered (requiring verification from a health professional, or State certified program). The Applicant or family may be required to provide evidence of otherwise being rehabilitated successfully.
 - b) The seriousness of the offending action;

- c) The effect on the community of denial or the failure of the Property Manager to take such action;
 - d) The extent of participation by the leaseholder in the offending action; or
 - e) The effect of denial of admission on household members not involved in the offending action.
6. Procedures for Rejecting Ineligible Applicants
- a) A written notice shall be sent to the Applicant. This notice must include the reason(s) for the denial and the Applicant's right to respond in writing and request a meeting within 14 calendar days to contest the denial.
 - b) Applicants with a disability have the right to request a reasonable accommodation to the informal hearing process.
7. EIV Compliance Policy
- a) In accordance with 24 CFR §5.233 and administrative guidance issued by HUD, the Property Manager will utilize HUD's Enterprise Income Verification System (EIV), in its entirety, as a third-party source to verify tenant employment and income information during mandatory reexaminations or re-certifications of family composition and income.

In addition, the Property Manager will use the EIV Existing Tenant Search at the time of eligibility certification before being offered a unit to determine if the applicant is receiving assistance in another Public and Indian Housing or Multifamily Housing Program. If such assistance is showing on the report, the Property Manager may use the EIV Multiple Subsidy Report to obtain more data.

The Property Manager shall obtain an 'Income Report' from the EIV System for each household. Unless prohibited by state law, the Property Manager shall maintain the Income Report in the resident file along with the Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures (Form HUD-50059) and all documents used to support the income and rent determinations for all mandatory annual reexaminations of family income and composition.

The PM will review each household's Summary Report at annual and interim re-certifications. This report will be printed to document when a household member is "verified" and retained in the tenant's file.

The Identity Verification Status on the Summary Report will be reviewed to see if the identity is verified by the SSA via a valid SSN. If the identity is verified, the PM may remove other documents from the file that have the tenant's SSN on them if they are not required to be in the file.

The PM will resolve the status of any household member with a failed or deceased status. For family members with a status of Not Verified, the PM will check the Failed SSA Identity Test Report to check for changes in the Identity Verification Status for these tenants. All documents relative to the resolution of failed or deceased members will be retained in the tenant's file.

The PM will also print, review, and retain in each tenant's file each household's Income Report at each annual and interim re-certification. Special attention will be made to identify any Multiple Subsidy Tenant Reports. To demonstrate EIV system usage compliance, the PM will maintain documentation in the tenant file to support the three scenarios of no dispute of EIV, disputed EIV, and income not verified through EIV. As needed, this documentation will include third party and tenant provided documentation.

If there is a discrepancy between the EIV Income Report data and the tenant-reported income, i.e., income source not reported by tenant, substantial difference (\$2,400 + annually) in income reported, the Property Manager shall obtain additional information from the tenant and/or the third-party source, if necessary.

The NDNH New Hire wage and unemployment compensation data on the Income Report will be used as third-party verification, but not to calculate the tenant's income. The PM will confirm with the tenant the accuracy of the employment and unemployment information. If the tenant agrees with the information, the PM will request documentation from the tenant to verify the EIV data, and then use that data to calculate the tenant's income.

The Social Security Benefit data on the Income Report will be used as third-party data and will be used to calculate the tenant's income. The PM will confirm with the tenant that the data is accurate and current.

If the Income Report does not contain any employment and income information for the family, the Property Manager shall attempt other verification techniques and document why the next lower level was utilized.

The Income Discrepancy Report will also be printed and reviewed by the PM during each annual and interim re-certification. It will be printed at the same time the Income Report is printed and reviewed. The PM will investigate all discrepancies to determine if the discrepancy is valid. Any unreported, underreported, or over-reported income as compared to the current or historical form HUD 50059 will be identified. Any discrepancies will be resolved within 30 days of the EIV Income Report date. The report and documents related to the resolution will be retained in the tenant's file.

- b) Use of EIV Data: Monthly EIV Reports, New Admissions, Calculate Annual Income, Zero Income, Terminating EIV Access

EIV data is used by the Property Manager to validate tenant-reported income and supplement tenant-provided documents. Pursuant to HUD guidelines, the Property Manager shall use information for the sole purpose of determining eligibility and level of assistance. The Property Manager will retrieve the New Hire Report, Deceased Report, and Multiple Subsidy Report each month. Needed actions based on the results of these reports will be performed within 30 days of the date of the report.

For all new admissions, including Initial Certifications (IC), the Property Manager will:

- a. Review the Income Report within 90 days after transmission of the move-in certification to TRACS to confirm/validate the income reported by the household;
- b. Resolve any income discrepancies with the household within 30 days of the Income Report date; and
- c. Print and retain the Income Report in the tenant file along with any documentation received to resolve income discrepancies, if applicable.

The Property Manager shall use the most current and reliable documentation obtained to calculate annual income. EIV data shall not be used to calculate anticipated annual income (except as specified in HUD guidelines).

When a tenant reports zero income, the Property Manager will perform an interim recertification every three month. As part of the interim recertification process, the Property Manager will run the EIV No Income Reported on 50059 report to confirm there is no income reported in the TRACS system. In addition, the Property Manager will run the EIV No Income Reported by HHS or SSA Report to confirm there is no income information in the SSA or NDNH records. When running these reports, the Property Manager for select "All" for the recertification month.

If an EIV user no longer has the responsibility to calculate tenant income, the user's access to EIV shall be terminated. The Property Manager / EIV Coordinator will complete Form HUD 52676 – I, EIV User Access Authorization Form, by selecting box 4 in section B, or other appropriate instructions per the HUD EIV User's Manual. The form will be sent to the local HUS Field Office for final processing.

c) EIV Identity Verifications Reports

- i. The PM will utilize both reports that are accessed from the Identity Verification Reports link. The PM will use both the Failed EIV Pre-Screening Report and the Failed Verification Report (Failed the SSA Identity-Test) monthly to clear up any invalid, discrepant or missing information in the TRACS database that was not identified and corrected at the time of recertification. When running the report, the PM will select recertification month "All".

- ii. Any discrepancies will be corrected within 30 days from the date of the reports.

d) Tenant Dispute of EIV Data

When a tenant disputes the EIV Income Report data obtained by the Property Manager, the Property Manager shall request the tenant to provide acceptable documentation to support the information in dispute. If the tenant is unable to provide any form of acceptable documentation, the Property Manager will request written third-party verification.

e) Dispute Reveals Incorrect EIV

i. Employment and Wage Information

Employment and wage information reported to EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA). The SWA, in turn, reports the information to the HHS' National Directory of New Hires (NDNH) database.

If the tenant disputes the information the employer provided, it is the tenant's responsibility to contact the employer directly in writing to dispute the employment and/or wage information that the employer reported to the SWA. The tenant will be required to provide the Property Manager with a copy of the 'written dispute'. The 'written dispute' to the employer from the tenant should request the employer to correct the erroneous information. If employer resolution is not possible between the tenant and the employer, the tenant should contact the local State Workforce Agency for assistance. If provided to the Property Manager, the copy of the tenant's correspondence to the employer that disputes the employment and/or wage information will be maintained in the tenant file.

ii. Unemployment Benefit

Unemployment benefit information reported in EIV also originates from the local SWA and thus the tenant shall follow the same process as stated to dispute the information, if applicable. If provided to the Property Manager, the copy of the tenant's correspondence to the employer that disputes the unemployment benefit information will be maintained in the tenant file.

iii. SS and SSI Benefit Information

Social Security (SS) and Supplemental Security Income (SSI) benefit information reported to EIV originates from the Social Security Administration (SSA). If the tenant disputes the information the SSA provided, it is the tenant's responsibility to contact the SSA at (800) 772-1213 or visit the local Social Security Administration Office.

iv. Identity Theft

If the Tenant suspects identity theft, it is the responsibility of the tenant to check their Social Security records; file an identity theft complaint with the local police department; file an identity theft complaint with the Federal Trade Commission; and monitor their credit reports with the three national credit-reporting agencies (Equifax, TransUnion, and Experian). The Tenant will be required to provide the Property Manager with written documentation of the filed identity theft complaint.

v. Disclosure of EIV Information

The Federal Privacy Act (5 USC §552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the Property Manager will not share, will not provide a copy, and will not display the EIV data of an adult household member with another adult

household member, unless the individual identified in the EIV data has provided written consent to disclose such information.

However, the Property Manager can elect to discuss with and show the head of household how the household's income and rent were determined based on the total family income reported to and verified by the Property Manager.

EIV information and any other information obtained by the Property Manager for the purpose of determining eligibility for the program may not and will not be disclosed to third parties for any reason, unless the tenant has authorized such disclosure in writing.

vi. Income Discrepancy Resolution

In accordance with CFR Title 24 Section 5.236, the Property Manager will take the actions below in an attempt to resolve the discrepancy.

Discuss the income discrepancy with the tenant. Request the tenant to provide documentation to confirm or dispute the unreported or underreported income. If the tenant is unable to provide acceptable documentation, the Property Manager shall request third party verification directly from the source.

If the additional documentation confirms that the family failed to report complete and accurate income information, the Property Manager will re-determine the tenant rent contribution retroactively as mandated by regulation. The family is required to repay the Property Manager for any retroactive amount owed due to the family's underreporting or failure to report income.

The Tenant is required to pay the retroactive amount in full or enter into a repayment agreement with the Property Manager. If the Tenant refuses to enter into a repayment agreement, the Property Manager shall terminate the family's assistance as required by regulation.

Concerning cases of fraud that are uncovered, the PM may use the repayment procedures as stated above. If the tenant does not fulfill the Repayment Agreement, the tenant's assistance may be terminated, and the tenant may be evicted. If the amount of the fraud concerns a very large amount of money, the PM may notify HUD, the Contract Administrator and the local legal enforcement agency.

Concerning cases of identity theft, the PM may terminate assistance and evict the tenant. The PM may also inform the Contract Administrator, HUD, and local legal enforcement agency. The PM may provide any documentation to the local legal enforcement agency.

Amnesty programs are not permissible. A family terminated from the assistance program may not receive future rental assistance until the debt is repaid to the Property Manager.

f) EIV System Security Policy

i. Technical Safeguarding of Data

- All individuals who have access to the EIV system will have a valid WASS User ID and password and will use this ID and password for accessing the EIV system. Upon receipt of the assigned WASS User ID, staff will apply to be approved for access to the EIV system.
- To assist in ensuring that only those individuals who have a need to use the EIV system to perform their job function have access to the EIV system, the staff performing the function of EIV Coordinator and EIV User will be certified to use the EIV system. The EIV Coordinator certification will be at initial access and annually thereafter. The EIV User certification will be at initial access and bi-annually thereafter. If this certification is not made, the user's EIV access will be terminated.
- The EIV Coordinator and User staff will take the Security Awareness Training Questionnaire at the time of initial access to the system and annually thereafter. Staff will answer 90% of the questions successfully before accessing the EIV system.

ii. Administrative Safeguards

- The PM will ensure the access rights, roles and responsibilities of EIV staff are appropriately and adequately assigned by supervising the implementation of the EIV requirements for the EIV Coordinator and the EIV User pursuant to EIV requirements. In addition, each year, the PM will determine if the EIV Users still have a valid need to access EIV. The results of these reviews will be maintained in an EIV Administration documentation file. The PM will terminate access within 30 days for users who no longer have a valid need to access EIV data.
- The PM will investigate any security breaches and report to HUD as required. The PM will supervise corrective actions as needed.
- Any occurrences of improper disclosure of EIV data will be investigated, documented, and reported as appropriate by the PM. The PM will also oversee corrective measures as appropriate. All documentation will be maintained in the EIV Administrative Record file.
- The PM will report Instances of unauthorized EIV access and security breaches to the HUD National Help Desk in the format prescribed by the Help Desk.
- EIV data that is not required to be maintained to support income and rent calculations will be shredded.
- Staff will ensure the authorized release of tenant information consent forms are included in all family files before accessing and using EIV data.

- EIV data that is required to be maintained by HUD will be secured and stored in the tenant's file so only EIV authorized staff will have access to the tenant's file.
 - The EIV Manuals and other HUD issued instructions concerning safeguarding EIV data will be reviewed annually by the EIV Coordinator and EIV User staff. All staff will be trained concerning security measures and awareness to prevent the unauthorized accessibility and use of EIV data.
- iii. Physical Safeguards
- The PM will ensure adequate physical safeguarding of EIV data to help ensure the data is safe when stored electronically or in hardcopy, and when transmitting data electronically.
 - When storing and transmitting electronic EIV data, the EIV data stored electronically will be in a restricted access directory or, if placed on portable media, labeled appropriately and encrypted using an NIST compliant vendor. Similarly, all emails containing EIV data will be encrypted using an NIST compliant vendor. The HUD list of compliant vendors will be utilized.
 - The full nine-digit SSN for a tenant will not be included in emails or other electronic communications.
 - Hardcopy EIV data that is printed out will not be left unattended. The documents will be retrieved as soon as they are printed and, if possible, a restricted printer, copier, or facsimile machine will be used. When faxing EIV data, the EIV User will wait by the fax machine to retrieve the fax as soon as it is received (printed). When mailing EIV data, the data will be sent to an office of the PM. EIV data will not be mailed to Independent Public Auditor offices.
 - To implement compliant computer security, individuals who use the EIV system will use a password protected screensaver and lock their computer when leaving their workspace. A user will not leave a computer unattended with EIV data displayed on the screen. As appropriate, the user will "x" out of the EIV system when leaving the computer unattended.
 - The EIV Coordinator or User staff will shred EIV data as soon as it serves its purpose as prescribed by HUD's policies and procedures and in accordance with HUD's prescribed retention period.
- iv. Consent for Release of Information
- A current form HUD-9887 And form HUD-9887A will be on file before accessing the employment or income data contained in the EIV system for a tenant.

- The form HUD-9887 and form HUD-9887A will be signed and dated by each adult member of a household regardless of whether he or she has income, the head of household, spouse or co-head, regardless of age, and each family member who is 18 years of age or older at move-in and annual recertification.
 - A family member, when he/she turns 18 years of age between recertifications, is required to come to the PM's office to sign and date HUD form-9887/9887A. At the time of the initial move-in, the Head of Household is given a notice that all family members must report to the PM's office within 30 calendar days of their 18th birthday to complete and sign the forms.
 - If a tenant turns 18 and has not signed the form HUD-9887, the PM will not use the EIV Income Reports for that tenant until the form is signed.
 - If the tenant fails to sign the consent form(s), the household is in noncompliance with their lease and assistance to, and the tenancy of, the household may be terminated.
8. Procedures for Removing Applicants from Waiting List without being Housed
- Applicants may be removed from the Waiting List without being housed for the following reasons:
- a) The applicant no longer meets the eligibility requirements for the property.
 - b) The applicant fails to respond to a written notice for an eligibility interview;
 - c) The applicant is offered and rejects two units in the property (or any number of unit offers as specified in the owner's written policies);
 - d) The applicant fails to provide any required information by the due date.
 - e) Mail sent to the applicant's address is returned as undeliverable.
 - f) The unit that is needed – using family size as the basis – changes, and no appropriate size unit exists in the property

F. Occupancy Standards and Guest Limitations

1. A studio or one-bedroom unit may have an occupancy of 1 or 2 persons.
2. Single persons will be offered either a studio or one – bedroom unit, whichever is available.
3. As a reasonable accommodation, the resident may have a live-in aide. A live – in aide may be assigned a bedroom if one is available.
4. Otherwise eligible elderly families with children will not be excluded per HUD Handbook 4350.3, 3-23, D, Prohibition of Occupancy Standards that Exclude Children. Limitations concerning the number of occupants still apply.
5. When determining the number of family members, the Property Manager will count:
 - a) All full – time members of the family;
 - b) Anticipated children due to pregnancy, adoption, custody, foster children, returning foster children, joint custody residing 50% or more of the time, children for whom the Head of Household or spouse is in the process of seeking legal custody; and
 - c) Live-in aids.
6. Guest Limitations
 - a) Guest limitations are stated in the Lease.
 - b) A higher number of days may be granted by the Property Manager in the case of a family member requiring care during illness or recuperation from illness or injury as certified by a medical professional.
 - c) Written permission must be obtained from the Property Manager for any deviation from the occupancy standards included in this policy which may result from the presence of the temporary care giver in the unit.

G. Unit Transfer Policies/Selection of In-Place Residents vs. Applicants

1. All transfers will be honored before selecting an applicant from the Waiting List.
2. A unit transfer for a medical reason will require a medical verification unless the need is obvious.
3. All privacy requirements concerning medical information will be followed.
4. Transfers needed for Section 504 Reasonable Accommodation will have priority over other transfers.
 - a) If a non-Section 504 resident lives in an accessible unit, this resident is required to transfer if a resident or applicant needs an accessible unit.
 - b) The transfer will be a move to a unit in the same property.
6. The Property Manager has the option to deny a request for transfer if the reason for the request does not involve any of the above mandatory reasons.
7. Transfers for the purpose of splitting a family are not permitted unless it is for a reasonable accommodation.
8. VAWA-related transfers will be implemented pursuant to the property's Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking.
9. The first priority for a transfer is Section 504 Reasonable Accommodation related. The second priority is VAWA-related. The third priority is change in family size requiring a different unit per the Occupancy Standards.

H. Policies to Comply with Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, and Other Relevant Civil Rights Laws and Statutes

In making decisions concerning admission and occupancy of dwelling units, the Property Manager must comply with requirements against discrimination contained in Civil Rights legislation enacted in the 1960's and subsequent legislation concerning the disabled, familial status and the aged. Below is the general policy concerning the requirements and specific actions to be taken in the admission and occupancy process.

1. General Policy

- a) The Property Manager will not discriminate against any person or family because of race, color, creed, age, sex, religion, disability, national origin, familial status, actual or perceived sexual orientation, or gender identity in any phase of the occupancy process. The occupancy process includes, but is not limited to, application processing, leasing, transfers, delivery of management and maintenance services, access to common facilities, treatment of residents, and termination of tenancy.
- b) The Property Manager shall not deny admission to an applicant or participant who is or has been a victim of domestic violence, or stalking, if the applicant otherwise qualifies for admission or assistance.
- c) There will be no intimidation or retaliatory actions by the Property Manager or its staff against any applicant or resident due to participation in civil rights activities, or for having asserted any civil rights under statute, regulations, or requirements pursuant thereto.
- d) The race, color, or national origin of the residents of the dwelling units or of the staff will not be a factor in the assignment of managers and other staff responsible for the administration of the program.
- e) The Property Manager will abide by the nondiscrimination requirements of 24 CFR 960.203:
 - i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 200d), which prohibits discrimination based on race, color, or national origin in programs receiving Federal financial assistance. (24 CFR part 1)
 - ii. The Fair Housing Act of 1988 (42 U.S.C. 3601-3619), also prohibits discrimination in housing practices based on disability in residential real estate-related transactions. (24 CFR parts 100, 108, 109, & 110)
 - iii. Executive Order 11063 on Equal Opportunity Housing. (24 CFR part 107)
 - iv. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination based on disability in programs receiving Federal financial assistance. (24 CFR part 8)

- v. The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107), which prohibits discrimination based on age in programs receiving Federal financial assistance. (24 CFR part 146)
 - vi. Title II of the Americans with Disabilities Act. (42 U.S.C. 12101-12213)
 - vii. Executive Order 13166 requiring agencies and grantees to take affirmative steps to communicate with people who need services or information in a language other than English. (Improving Access to Services for Persons with Limited English Proficiency [LEP])
 - viii. Obligation to Affirmatively Further Fair Housing. (24 CFR §960.103 (b) and 24 CFR §903.7(o))
- f) Housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. No owner may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing for determining eligibility for the housing or otherwise making such housing available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity.
2. Specific Actions
- a) The Property Manager will not, on the grounds of race, color, creed, sex, religion, age, disability, national origin, familial status, actual or perceived sexual orientation, or gender identification:
 - i. Deny a person or family admission to housing;
 - ii. Provide housing which is different than that provided others, except for elderly and/or disabled where accessibility features may be required;
 - iii. Subject a person to segregation or disparate treatment;
 - iv. Restrict a person's access to any benefit enjoyed by others in connection with housing programs;
 - v. Treat a person differently in determining eligibility or other requirements for admission;
 - vi. Deny any person access to the same level of services provided to others;
 - vii. Deny a person the opportunity to participate in a planning or advisory group that is an integral part of the housing programs.

- b) The Property Manager will not deny physically disabled persons an opportunity to apply for housing due to inaccessible application offices. Accessibility to the main office is available.
- c) The Property Manager will make sure that all employees of the Property Manager, especially those who are involved in the admissions process, are familiar with discrimination and nondiscrimination requirements.
- d) The Property Manager will prominently display a fair housing poster at: (a) each office where applications are taken; and (b) each management office, except single-family dwellings.
- e) The Property Manager will not make an inquiry to determine whether an applicant for a dwelling, a person intending to reside in that dwelling after it is rented or made available, or any person associated with that person, has a disability, or make an inquiry as to the nature or severity of a disability of such a person. Furthermore, the Property Manager will not inquire whether an applicant or resident is “capable of living independently”. However, this paragraph does not prohibit the Property Manager from making the following inquiries, provided that these inquiries are made of all applicants, whether or not they have disabilities:
 - i. Inquiry into an applicant's ability to meet the requirements of tenancy;
 - ii. Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or persons with a particular type of disability;
 - iii. Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with particular type of disability should such priority be part of the Property Manager's policies;
 - iv. Inquiry to determine whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance, except that such persons who claim eligibility as disabled due to drug or alcohol abuse alone are not eligible for housing; or
 - v. Inquiry to determine whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance, or of any violent crime.
- f) The Property Manager will not require that a dwelling be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals, or whose tenancy would result in substantial physical damage to the property of others.
- g) The Property Manager reviews its policies and procedures, at least annually, to assure compliance with all civil rights requirements.

- h) Service animals for the disabled tenants are allowed in any unit and are not affected by the Pet Rules or by size, type or weight.
3. Service Policy/Reasonable Accommodations
- a) The Property Manager's policies and practices are designed to provide assurances that all persons with disabilities will be provided reasonable accommodations so that they may fully access and utilize the housing programs and related services.
 - b) The Property Manager will identify and eliminate situations and/or procedures that create barriers to equal housing opportunity for all. In accordance with Section 504, and the Fair Housing Amendments Act of 1988, the Owner will make structural modifications to its housing and non-housing facilities and make reasonable accommodations or combinations of structural modifications and reasonable accommodations, to permit persons with disabilities to take full advantage of its housing program provided that the modifications can be accomplished without undue financial and/or administrative burden. If providing a requested modification results in a fundamental alteration in the nature of the program or an undue financial/administrative burden, that accommodation may not be provided. However, any other accommodation that would not result in undue financial and/or administrative burden or fundamental alteration of the program is required to be provided. If transportation to functions or activities is necessary for a disabled person to participate, the transportation must be accessible transportation to accommodate the disabled person and attendant, and / or family/friends.
 - c) Requests for reasonable accommodation from persons with disabilities will be presented to the occupancy staff person assigned to the applicant/resident who will process the request and seek verification of the need for the accommodation. The accommodation may be granted upon receipt of third-party verification that the accommodation meets the need presented by the disability and does not result in substantial alteration of the program or create an undue financial or administrative burden on the Owner. Should the request be denied, an applicant may request an informal meeting to appeal the decision and a resident may request a review.
 - d) Reasonable accommodations will be made for persons with a disability who require an advocate, accessible offices, or alternative locations for making application, including their home or a service agency. A designee will be allowed to provide some information, but only with the permission of the person with the disability.
 - e) All mailings will be made available in an accessible format upon request as a reasonable accommodation.
 - f) A reliable and knowledgeable professional will verify requests for accommodations or modifications as needed.
 - g) A reasonable effort will be made to provide accessibility to an individual with a long-term but temporary disability that limits their mobility or other major life activities. In

such cases, their lease will specify that they will be required to relocate to another unit when the need for the accessibility features is no longer required. The temporary nature of the disability and the approximate length of time of disability will be verified through a qualified health or services professional.

- h) The Property Manager will not permit these policies to be subverted to do personal or political favors. Units will not be offered in an order different from that prescribed by this policy, since doing so violates the policy, Federal law, and the civil rights of the other families on the waiting list.

4. Grievance Process

If an applicant or resident has a complaint alleging discrimination based on disability, the applicant or resident will receive appropriate due process for a prompt and equitable resolution. The steps below will be followed.

- a) The written Grievance Process will be provided.
- b) The applicant or resident may request an informal hearing in writing or verbally to the Property Manager or the Section 504 Coordinator, or to another designated staff person. This request must include an explanation of the possible discrimination.
- c) The informal hearing with an impartial member of the Property Manager's staff or other third party will be held within ten (10) business days.
- d) The complainant may be represented by another person of their choice to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the Property Manager as the basis for the adverse action. With reasonable notice to the Property Manager, prior to hearing and at the residents' own cost, residents may copy and documents or records related to the proposed adverse action.
- e) An impartial staff member or other third party will perform an informal investigation of the complaint.
- f) The person performing the informal hearing will make a written determination as to the validity of the complaint and a description of the suggested resolution, if any. This written determination will be provided to the Property Manager and the Complainant within five (5) business days. The written decision will include the grounds and will cite any evidence, regulation, or other guidance used while making the decision.
- g) The Property Manager will be bound by decisions from these hearings, except if the:

- i. Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.
 - ii. Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- h) If the Project Manger determines that it is not bound by a hearing decision, the Property Manager must promptly notify the complainant of this determination, and of the reason for the determination.

I. Policy for Closing and Opening the Waiting List

1. Closing the Waiting List

a) The Waiting List may be closed if the Property Manager (PM) has enough applicants to fill expected vacancies over a period of one (1) year.

b) The closing of the Waiting List shall be announced through public notice as follows:

I. The notice shall be placed in a newspaper of general circulation, in a minority publication, and in plain view in the application office.

II. Postings may be made at locations throughout the community and may be sent to social service agencies.

III. The notice shall contain the Equal Opportunity Housing logo and non-discrimination statement in the advertising message.

c) The Waiting List will not be closed:

i. If closing the list would have a discriminatory effect that would be inconsistent with applicable civil rights laws; and

ii. Any decision to suspend or to restrict taking applications is publicly announced.

2. Opening the Waiting List

The opening of the Waiting List shall be announced through public notice as follows:

a) The notice shall be placed in a newspaper of general circulation, in a minority publication, and in plain view in the application office.

b) Postings may be made at locations throughout the community and may be sent to social service agencies.

c) The notices shall contain where and when interested parties can apply.

d) The notice shall contain the Equal Opportunity Housing logo and non-discrimination statement in the advertising message.

J. Eligibility of Students

1. Assistance shall not be provided to any student meeting any of the conditions below.
 - a) Is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential;
 - b) Is under the age of 24; and
 - c) Is not married; and
 - d) Is not a veteran of the United States Military; and
 - e) Does not have a dependent child; and
 - f) Is not a person with disabilities, as such term is defined in 3(b) (3) (E) of the United States Housing Act of 1937 (42 USC 1437 a (b) (3) (E)) and was not receiving section 8 assistance as of November 30, 2005. (See Definition E in HUD Handbook 4350.3 REV-1, Figure 3-6); and
 - g) Is not living with his or her parents who are receiving assistance; and
 - h) Is not individually eligible to receive assistance or has parents (the parents individually or jointly) who are not income eligible to receive assistance. See paragraph 3-33 of HUD Handbook 4350.3 REV-1 for verifying parent's eligibility.
2. A student classified as a Vulnerable Youth is eligible for assistance. A student meets HUD's definition of a Vulnerable Youth when:
 - a) The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older.
 - b) The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence.
 - c) The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et seq.), or as unaccompanied, at risk of homelessness, and self-supporting, by:
 - i. A local educational agency homeless liaison, designated pursuant to the McKinney-Vento Homeless Assistance Act;
 - ii. The director of a program funded under the Runaway and Homeless Youth Act or a designee of the director; or

- iii. The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or
 - iv. A financial aid administrator; or
 - v. The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.
3. If a student does not meet the eligibility criteria above, but can prove independence from parents under HUD rules, then the student would meet HUD's student eligibility criteria. For a student to be eligible independent of his or her parents (where the income of the parents is not relevant), the student must demonstrate the absence of, or his or her independence from, parents. While property managers may use additional criteria for determining the student's independence from parents, the student must meet, at a minimum, all of the following criteria to be eligible for assistance. The student must:
 - a) Be of legal contract age under state law;
 - b) Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy, or meet the U.S. Department of Education's definition of an independent student;
 - c) Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
 - d) Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.
4. A student may also be declared independent of parents if a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.
5. If an ineligible student applies for or is a member of an existing household receiving Section 8 assistance, the assistance for the household will not be prorated but will be terminated.
6. A Project Manager cannot evict or require an ineligible student to move from a unit as long as the student is in compliance with the terms of the lease.

K. Policies for Applying Violence Against Women Act (VAWA) Protections

1. The Property Manager must provide all applicants and tenants with the HUD prepared Notice of Occupancy Rights under the Violence Against Women Act (Notice of Occupancy Rights) as well as the HUD prepared Domestic Violence Certification Form. These forms must be given at the following times:
 - a) at the time an applicant is denied assistance or admission;
 - b) at the time assistance or admission is provided;
 - c) with any notice of eviction or termination of assistance; and
 - d) during the 12-month period following December 16, 2016, either during the annual recertification or lease renewal process; or if there will be no recertification or lease renewal process during this period, then by other means.
2. Alternately, in lieu of the certification form or in addition to it, owners may accept:
 - a) A federal, state, tribal, territorial, or local police record or court record, or
 - b) Documentation signed by an employee, agent, volunteer of a victim service provider, an attorney, or medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking or, the effects of the abuse in which the professional attests under penalty of perjury under 28 U.S.C 1746 to the professional's belief that the incident or incidents are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation.
3. The VAWA Lease Addendum must be attached to the Lease. The contents of the VAWA Lease Addendum must include the protections required prior to the VAWA 2013 Act plus an explanation of the existence of the Emergency Transfer Plan and Request for Emergency Transfer.
4. The Property Manager retains in confidence all information pursuant to the Violence Against Women Act, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking. The information shall neither be entered into any shared database nor be provided to any related entity, except:
 - a) To the extent that disclosure is requested or consented to in writing by the individual;
 - b) Required for use in an eviction proceeding of an abuser, stalker, or perpetrator of domestic violence; or
 - c) Is otherwise required by applicable law.

5. Property Managers are not required to demand that an individual produce official documentation or physical proof of an individual's status as a victim of domestic violence, dating violence, or stalking in order to receive the protections of the VAWA. Property Managers, at their discretion, may provide assistance to an individual based solely upon the individual's statement or other corroborating evidence.
6. The delivery of the certification form to the tenant via mail may place the victim at risk, e.g., the abuser may monitor the mail. Therefore, in order to mitigate risks, property managers are encouraged to work with the tenant in making acceptable delivery arrangements, such as inviting the tenant into the office to pick up the certification form or making other discreet arrangements.
7. All documentation relating to an individual's domestic violence, dating violence, or stalking must be retained in a separate file that is kept in a separate secure location from other tenant files.
8. An incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be considered a serious or repeated violation of the lease, or good cause for terminating the assistance, tenancy, or occupancy rights. If the alleged abuser is on the Lease, the Lease may be bifurcated and that individual may be evicted. The Property Manager may ban this person from the property. If, after being evicted, the tenant allows the evicted person to once again live in the unit, the tenant may be evicted for violating the terms of the Lease.
9. Family Breakup
 - a) If a family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking the Property Manager will ensure that the victim retains assistance.
 - b) The factors to consider when making this decision may include:
 - i. whether the assistance should remain with the family members remaining in the original assisted unit;
 - ii. the interest of minor children, or elderly, ill or disabled members;
 - iii. whether family members are forced to leave the unit as a result of domestic violence;
 - iv. whether a family member is receiving protection as a victim; and
 - v. whether the abuser is still in the household.

II. Recommended Topics

A. Applicant Notification and Opportunity to Supplement Information Already Provided

1. The Property Manager will promptly notify applicants in writing of the denial of admission or assistance.
2. The written rejection notice must include:
 - a) The specifically stated reason(s) for the rejection;
 - b) The applicant's right to respond in writing or request a meeting within 14 calendar days to dispute the rejection; and
 - c) Persons with disabilities have the right to request reasonable accommodations to participate in the review process.
3. Any meeting with the applicant to discuss the rejection must be conducted by a member of the staff who was not involved in the initial decision to deny admission or assistance. Applicants will be given the opportunity to supplement any information during this meeting. Within five business days of this meeting, the Property Manager must advise the applicant in writing of the final decision on eligibility.
4. For applicants failing citizenship verification, the Notice of Denial must advise that if they have failed the primary and secondary forms of verification and submitted an appeal to the Department of Homeland Security (DHS), they will receive assistance in a timely manner while the DHS processes the appeal. If the DHS decision is negative, the family's assistance may then be terminated. However, once the DHS appeal process is complete and the family receives a negative decision, the Property Manager may delay assistance while providing the family with an opportunity for an informal meeting to appeal the decision.

B. Procedures for Identifying Applicant Needs for the Features of Accessible Units or Reasonable Accommodations

1. The Fair Housing Act regulations state that it is unlawful for an owner to inquire:
 - a) Whether an applicant for a dwelling, a person intending to reside in a dwelling after it becomes available, or anyone associated with an applicant or resident has a disability; or
 - b) As to the nature or severity of a disability of such person(s).
2. It is a good practice for a property's rental application to define "disability" per program requirements and then ask if the applicant qualifies as a person with disabilities under that definition. The application must clearly state this is a voluntary question. The application should also advise all tenants that if they have a disability, and need a reasonable accommodation in order to participate in the application process or to make effective use of the housing program, they have the right to request such an accommodation. The application should define reasonable accommodation and explain the process by which the housing provider will consider requests for reasonable accommodations.

C. Updating the Waiting List

1. If the Waiting List becomes too old, the Property Manager may purge the Waiting List (WL). The purge will consist of a mass mailing to applicants requiring them to re-confirm their desire to stay on the WL and update the required data.
2. A deadline of at least three weeks to respond by mail will be provided.
3. The required data for the WL update will include:
 - a) Date and time the applicant submitted an application;
 - b) Name of head of household;
 - c) Annual income level (used to estimate levels for income-targeting, i.e., extremely low-income)
 - d) Identification of the need for an accessible unit, including the need for accessible features;
 - e) Preference status (if applicable); and
 - f) Unit size

D. Identifying Applicants and Potential Applicants of Changes in the Tenant Selection Plan (TSP)

1. The TSP will be reviewed annually to ensure it reflects current procedures, priorities, and HUD requirements.
2. The TSP will be available to the public when requested.
3. Updates to the TSP that may affect applicant's participation will be mailed to the applicants and posted as a Public Notice in a publication of broad distribution.

E. Procedures for Assigning Units with Originally Constructed Design Features for Persons with Physical Disabilities

1. When there is a current tenant or qualified applicant with a household member requiring accessibility features of the unit:
 - a) For current tenants who require the features of the unit, Property Managers must first offer the unit to an individual with disabilities currently residing in a non-accessible unit in the same project or comparable project under common control.
 - b) For applicants with disabilities, the Property Manager must offer the unit to the next qualified applicant on the Waiting List with a family member who needs the features of the accessible unit.
2. When neither a current tenant nor a qualified applicant requires the features of the available accessible unit:
 - a) The unit may be offered to another tenant or applicant in a manner consistent with the property's tenant selection policy and should incorporate into the lease an agreement that the tenant will move to a non-accessible unit of the proper size within the same property when one becomes available. The lease should state whether the tenant or the owner will pay for the cost of such moves.
 - b) In the case where the members of the tenant household who required the special features of the accessible unit no longer reside in the unit, and where the lease permits, the remaining members of the household should be required to move to a unit without accessibility features.
3. If a member of a tenant household becomes disabled with an impairment that requires special accessibility features and the tenant requests an accessible unit, the Property Manager may move that tenant into an accessible unit in lieu of making the tenant's existing unit accessible and usable. However, if a tenant needs only minor modifications to his or her unit, and does not need a fully accessible unit, the landlord should make the modifications and leave the project's fully accessible units available for tenants who need such units.
4. If a member of a tenant household is a person who does not need specific accessible features, but whose disability requires that he live on a particular floor or location on the floor, the Property Manager must move that tenant household to the new unit. If such a unit is not available, the tenant should be assigned to the next available unit that meets the need of the tenant. This accommodation must be based on the tenant's disability-related need for the particular floor or location on the floor, and not based on the tenant's personal preferences.
5. If a tenant household is being moved to a different unit as a reasonable accommodation to a household member's disability, then the owner must pay for the move unless doing so would constitute an undue financial and administrative burden.

F. Charges for Facilities and Services

1. Property Managers may assess a charge if the tenant has been given at least 5 calendar days as a grace period to pay the rent. The rent must be received by the fifth day, not postmarked by then. On the sixth day, the Property Manager may charge a fee, not to exceed \$5 for the period of the first through fifth day that the rent is not paid. Additionally, a fee of \$1 per day may be charged for each additional day the rent remains unpaid for the month.
2. HUD Field Offices or Contract Administrators may approve a higher initial late fee if:
 - a) It is permitted under state and local laws;
 - b) It is consistent with local management practices; and
 - c) The total late charge assessed for the month does not exceed \$30.
3. The Property Manager may deduct accrued, unpaid late charges from the tenant's security deposit at the time of move-out, if such a deduction is permitted under state and local laws.
4. A Property Manager must not evict a tenant for failure to pay late charges.
5. A pet deposit may be required up to the maximum allowed by HUD as published in the Federal Register.
 - a) As of August 2013, the maximum pet deposit was \$300.
 - b) The initial deposit cannot exceed \$50.
 - c) The remaining deposit will be paid at \$10 per month, or more if the tenant so wishes.
6. A pet deposit will not be charged for assistance animals.
7. Damages
 - a) Whenever damage is caused by carelessness, misuse, or neglect on the part of the tenant, household member, or visitor, the tenant is obligated to reimburse the Property Manager for the damages within 30 days after the tenant receives a bill.
 - b) The Property Manager may deduct accrued, unpaid damage charges from the tenant's security deposit at the time of move-out, if such a deduction is permitted under state and local laws. The bill is to be limited to actual and reasonable costs incurred for repairing the damages.
8. Special Management Services
 - a) The Property Manager may charge a tenant for special services such as responding to lock-out calls and providing extra keys.
 - b) At the time of move-out, the Property Manager may charge the tenant a fee for each key not returned. The Property Manager may not charge a tenant for bad behavior, such as foul language, noise, or failure to supervise children. However, if such behavior is serious or prolonged, it may be grounds for termination of tenancy.

G. Security Deposit (SD) Charges

1. New tenants at the time of move-in will be charged one month's Total Tenant Payment (TTP), **or \$50.00, whichever is greater.**
2. An applicant may be rejected for not paying the security deposit.
3. When a tenant transfers to another unit, the SD may be transferred, or a new SD may be charged and the old SD refunded.

H. Unit Inspection

1. A move-in and move-out inspection will be performed.
 - a) The Move-in Inspection must be performed by both the Property Manager and the Tenant.
 - b) The forms must include the words, "the unit is in decent, safe, and sanitary condition."
 - c) The forms must be signed and dated by the Owner and Tenant and maintained in the Tenant's file as a lease addendum.
 - d) Any cleaning or repair must be performed within 30 days.
 - e) The tenant has 5 days to report any additional deficiencies to the owner to be noted on the move-in inspection form.
 - f) Upon a tenant's request, he/she must be allowed to attend the move-out inspection. If a tenant is with the Property Manager during the inspection, disagreements regarding unit damage can be resolved up front.
 - g) If a tenant does not wish to participate, the Property Manager may do the inspection alone.
 - h) If the Property Manager determines that the unit is damaged as a result of tenant abuse or neglect, he/she may use the security deposit to cover the repair costs.
2. HUD or its contractor may inspect at any time.

I. Annual Recertification

1. An annual certification of income and family composition will be performed based on the anniversary of the move-in date.
 - a) The anniversary date does not change if a tenant transfers to another unit.
 - b) As all properties are for the elderly/disabled, the Property Manager may request HUD to change the anniversary date to the date that cost-of-living adjustments or other assistance is provided.
2. The tenant's rent and assistance payment may change as a result of the recertification.
3. For coordination purposes, the Property Manager may request that the recertification anniversary date for all tenants be based on the anniversary date of the assistance payment contract for the property.
4. For coordination purposes, the Property Manager may request that the recertification anniversary date be assigned by building or unit number to better coordinate recertification and inspection activities.
5. Tenants must supply information requested for use in a regularly scheduled recertification of family income and composition in accordance with HUD requirements.
6. Tenants must sign consent forms and asset declaration forms.
7. Property Managers must use the EIV Income Report as third-party verification of employment and income unless the tenant disputes the information on the EIV report.
8. Concerning fixed income sources, instead of re-verifying them each year, the Property Manager may apply the verified Cost of Living Adjustment (COLA) percentage or the verified current interest rate to the previously verified or adjusted income amount.
9. Third party verifications of fixed income sources may be obtained each three years.
10. Property Managers must obtain third-party verification directly from the third-party source for the following items:
 - a) Annual income from wages, unemployment, and Social Security benefits when tenant is unable to provide acceptable income documentation or disputes the employment and income information in the EIV system;
 - b) Reported family annual income from sources not reporting income data to the EIV system;
 - c) The value of family assets;

- d) Expenses related to deductions from annual income; and
 - e) Other factors that affect the determination of adjusted income.
11. At each annual recertification, the Property Manager must provide the tenant with a copy of the HUD Fact Sheet describing how the tenant's rent is determined. A copy of the EIV & You brochure must also be provided.
12. Property Managers have the authority to require a criminal background check, including a State lifetime sex offender registration check, on tenants at recertification. Property Managers who adopt the policy of conducting criminal background checks, including a State lifetime sex offender registration check, at recertification must conduct the checks on all tenants at recertification. If the background checks indicate that the tenant is in violation of the provisions of the Lease, the Property Manager may evict the tenant in accordance with the Lease and the standards for termination of tenancy. The Property Manager must:
- a) Notify the household of the proposed action based on the information.
 - b) Must provide the subject of the criminal record and the tenant with a copy of the information and an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.
11. Below are the required steps to take for the Annual Recertification notifications.
- a) An Initial Notice of Annual Recertification is given to the tenant at the time of the Lease execution and at each annual re-examination.
 - b) The Tenant must provide all requested information and signatures by the 10th day of the 11th month after the initial Lease or the previous annual re-examination.
 - c) The Property Manager and the tenant must sign and date the Annual Recertification Notice. The original is kept in the tenant file and the tenant receives a copy.
 - d) The first Annual Recertification Reminder Notice must be given 120 days before the recertification date. This Notice informs the tenant to schedule a recertification interview and provides the PM's contact information.
 - e) This notice will include the items below.
 - i. A list of information needed and a due date for this information and signature.
 - ii. The Notice also states that if the data is not received, the Property Manager may do the recertification anyway but may not give 30 days' notice of a rent increase.
 - iii. The Notice also states that if the tenant fails to respond by the anniversary date, the assistance will be terminated, and the Tenant must pay full contract rent.

- f) If there is no response to the first Reminder Notice, the Property Manager must give second Reminder Notice 90 days prior to the recertification date. This Notice gives all the information in the first Reminder Notice.
- g) If there is no response to the second Reminder Notice, a third Reminder Notice must be provided 60 days before the recertification date.
 - i. This Notice includes all of the information from the first Notice.
 - ii. It also serves as a 60 day notice to terminate the tenant's assistance and a 60 day notice to increase the rent.
 - iii. This Notice also gives the new rent amount and states that the rent increase will be effective without further notice.

J. Interim Recertification

1. Tenants must report all increases in income and all changes in the household composition in writing to the Property Manager within 10 calendar days of occurrence. To ensure that assisted tenants pay rents commensurate with their ability to pay, tenants must supply information requested for use in an interim recertification of family income and composition in accordance with HUD requirements. All tenants must notify the Property Manager when:
 - a) A family member moves out of the unit;
 - b) The family proposes to move a new member into the unit;
 - c) An adult member of the family who was reported as unemployed on the most recent certification or recertification obtains employment; or
 - d) The family's income cumulatively increases by \$200 or more a month.
2. Tenants may request an interim recertification due to any changes occurring since the last recertification that may affect the Total Tenant Payment (TTP) or tenant rent and assistance payment for the tenant. Changes include the following:
 - a) Decrease in income, including but not limited to loss of employment, reduction in the number of hours worked by an employed family member, and loss or reduction of welfare income;
 - b) Increases in allowances, including but not limited to increased medical expenses and higher child care costs; and
 - c) Other changes affecting the calculation of a family's annual or adjusted income, including but not limited to a family member turning 62 years old, becoming a full-time student, or becoming a person with a disability.
3. Tenants are not required to report when a family member turns 18 years of age between annual re-certifications. However, tenants must follow the requirements in their lease for reporting changes in the household income.
4. Property Managers must process an interim recertification if a tenant reports:
 - a) A change in family composition;
 - b) An increase in a family's cumulative income of \$200 or more a month;
 - c) An increase in allowances (e.g., number of dependents, a new disability assistance expense);
 - d) Most decreases in income except in circumstances described in HUD Handbook 4350.3 REV-1, paragraph 7-11.D; or
 - e) A change in citizenship or eligible immigration status of any family member.

5. If a tenant reports a change in income that does not increase the household's cumulative income by \$200 or more a month, the Property Manager should not process an interim recertification to increase the tenant's rent. If a tenant reports any other change addressed above, along with an increase in income that does not increase household income by \$200 or more a month, the Property Manager should not include the increase in income in processing the interim recertification.
6. Upon receiving a tenant request for an interim recertification, the Property Manager must process a recertification of family income and composition within a reasonable time, which is only the amount of time needed to verify the information provided by the tenant. Generally, this should not exceed four weeks.
7. Property Managers should not recertify a tenant receiving welfare assistance in an as-paid welfare program when the Public Assistance Agency reduces the tenant's shelter and utility allowance because it is greater than the tenant's actual rent.
8. Property Managers may delay, but not refuse, to process an interim recertification if they have confirmation that a tenant's income will be partially or fully restored within two months. Processing may be delayed only until the new income is known.
9. Property Managers do not have to perform interim re-certifications for individual tenants who are paying market rent.
10. If the Tenant fails to report an increase in income or change in household members within 10 calendar days, any rent changes may be retroactive to the first of the month after the occurrence of the change.

K. Implementation of House Rules

1. House Rules must include the timelines below.
 - a) Notification of Termination of Tenancy and Assistance must be a reasonable period of time, not to exceed 30 days.
 - b) Said notification may be 14 days for nonpayment of rent.
2. Concerning the grievance process, House Rules will include the requirements below.
 - a) Residents are provided with notice of the specific grounds of the proposed adverse action as well as their right to an informal hearing with the Property Manager.
 - b) Residents have an opportunity for an informal hearing with an impartial member of Property Manager's staff within a reasonable period of time.
 - c) Residents have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon as the basis for the adverse action. With reasonable notice to the Property Manager, prior to a hearing and at the residents' own cost, residents may copy any documents or records related to the proposed adverse action.
 - d) Property Managers provide the resident with a written decision within a reasonable period of time, stating the grounds for the adverse action and the evidence the Property Manager relied on as the basis for the adverse action.
3. House Rules will be an attachment to the Lease.
4. House Rules must not create a disparate impact on tenants based on race, color, national origin, religion, sex, disability, or familial status.
5. House Rules will:
 - a) Be related to the safety, care, and cleanliness of the building or the safety and comfort of the tenants;
 - b) Be compliant with HUD requirements;
 - c) Not circumvent HUD requirements;
 - d) Not discriminate against individuals based upon membership in protected class; and
 - e) Be reasonable.
6. House Rules should include extended absence or abandonment.

7. House Rules for tenant incidental business
The Property Manager may establish house rules covering tenants who conduct incidental business, such as computer work, limited babysitting, etc., in their unit. These rules would regulate or prohibit such things as the:
 - a) Amount of traffic (both foot and motor vehicle) associated with such incidental business income;
 - b) Amount of noise associated with such incidental income;
 - c) Prohibition of signs in unit windows;
 - d) Use of parking within the project grounds for such incidental business use;
 - e) Hours such incidental work could be performed if such performance could disturb the rights or comfort of the neighbors; and
 - f) Other such reasonable rules.
8. Property Managers must give tenants written notice 30 days prior to implementing new house rules.
9. The House Rules will be provided to HUD for monitoring purposes.

L. Lease Requirements

1. Form HUD 90105-A, Model Lease for subsidized programs with an initial term of one year, must be used.
2. The following addendums or attachments must be included with the HUD Model Lease: Form HUD-50059, Form HUD-50059-A, House Rules, Lead Based Paint Disclosure, Pet Requirements (if applicable), Violence Against Women Addendum, Move-in Inspection, Live-in Aide (if applicable), Police or Security Personnel (if applicable). The Lead-based Paint disclosure book must be given if the building was constructed before January 1, 1978 and it is not exempted.
3. If any item in the HUD Model lease conflicts with State or Local law, the item that most benefits a tenant will be utilized. Changes to the Model Lease for Subsidized Programs may be made only to comply with documented state or local laws, or to comply with a management practice generally used by management entities of assisted projects. Before implementing Lease changes, the Property Manager must obtain written approval from HUD or the Contract Administrator. A modification to the Lease may be effective only at the end of a lease term, and the Property Manager must provide the tenant with the approved modifications at least 60 days prior to the end of the lease term. Lease modification can only be made via a Lease Addendum
4. HUD will not permit modifications to the following eight provisions of the Model Lease:
 - a) Changes in Tenant Rent;
 - b) Regularly Scheduled Re-certifications;
 - c) Reporting Changes between Regularly Scheduled Re-certifications;
 - d) Removal of Subsidy;
 - e) Tenant Obligation to Repay;
 - f) Discrimination Prohibited;
 - g) Termination of Tenancy; and
 - h) Penalties for Submitting False Information.
5. The Lease and Lease Addendum must be signed by the Head of Household, Co-head or Spouse, and the other residents over the age of 18.
6. The initial term must be for one year. Any renewals must be at least 30 days.

M. Minimum Total Tenant Payment (TTP)

1. The minimum TTP must be \$25.
2. A financial hardship extension may be given.

N. Live-in Aides

1. A live-in aide is a person who resides with one or more elderly persons, near elderly persons, or persons with a disability who:
 - a) Is determined to be essential to the well-being of the persons; and
 - b) Would not be living in the unit except to provide the necessary supportive services.
2. This definition does not automatically exclude relatives. Husbands or wives for example may provide attendant care for spouses but would not have their income excluded since they would be living in the unit and are legally responsible for support. Adult sons, daughters, or other relatives would have their income excluded if they can demonstrate that they otherwise would be living elsewhere. Verification would involve a determination regarding whether the person previously lived outside the unit and moved back solely to take care of the family member, or hasn't resided in the unit for at least three months. A dependent cannot be a live-in aide.
3. Verification of the need for live-in aide services should be obtained from qualified medical, health or social services/rehabilitation specialists. Verification of a legal requirement for support includes marriage certificates, court ordered guardianship, or other legal documents requiring the attendant to be legally responsible for the support. The Property Manager would have to verify residency of the attendant as being elsewhere through prior landlords, rental agreements or leases, rental receipts, utility bills in the attendant's name for another address, or driver's license or other government issued ID, etc.
4. Live-in aides are not remaining members of a resident family and must vacate the unit if the person they care for vacates. Also, live-in attendants may have their own bedroom and may have family members live with them provided that HUD will not increase the operating subsidy by the cost of additional bedrooms and the presence of the live-in aide's family does not cause over-crowding.
5. The income of a live-in aide is excluded from income provided that the person meets the live-in aide criteria established by HUD.
6. The live-in aide must submit information as requested and be reviewed by management for eligibility, including the criminal background check. If the Property Manager determines an individual proposed as a live-in aide to be ineligible, the resident or applicant may propose an alternative live-in aide for screening or may appeal the determination.
7. As full time live-in aides must have a separate bedroom, residents may have a daytime live-in aide and a different night time live-in aide.

8. A live-in aide who has been approved for occupancy by management is added to the lease by means of a live-in aide Lease amendment. This amendment specifically states that a live-in aide does not have rights to occupy a unit as the Remaining Member of a Tenant Family if the primary resident vacates the unit.
9. Any violation of Lease provisions by the live-in aide may be cause for eviction of the household.

O. Absence from Unit

1. When the family consists of only one member and that person leaves the home to go into a hospital or nursing home for a period of more than six (6) months, the assistance will be terminated. If a medial source documents that the person is expected to return to the unit in 180 days or less, the person shall continue to receive assistance. If the person is not back in 180 days, assistance will be terminated. However, if the person subsequently recovers at any time in the future, assistance may resume without the person having to re-apply or be placed on a waiting list.
2. If all members of the household are absent for 180 accumulative days, but have not moved from the unit, assistance will be terminated. In order to determine if the family is absent from the unit, the Property Manager may write letters to the family at the unit, telephone the family at the unit, interview neighbors, and/or verify if utilities are in service. In cases in which the family has moved from the unit, assistance will be terminated in accordance with the termination and eviction policies.

P. Pet Rules

1. Pets cannot be prohibited for elderly and disabled residents.
2. Assistance animals are not considered pets.
3. The Property Manager may refuse to register a pet if:
 - a) The pet is not a common household pet;
 - b) The keeping of the pet would violate any applicable house rule; or
 - c) The pet owner fails to provide complete pet registration.
4. Pet Rules:
 - a) Must include the mandatory rules identified in HUD Handbook 4350.3. Mandatory rules are the obligatory rules that must be prescribed for inoculations, sanitary standards, pet restraints, registration, and written notification to a pet owner if an owner refuses to register a pet.
 - b) May include additional discretionary rules, but they must be reasonable. Discretionary rules are the rules that may be developed by the Property Manager. Tenants must be consulted in developing discretionary rules.
5. Pet deposits may be obtained only for dogs and cats.
6. The maximum pet deposit is \$300.00 with initial deposit of \$50.00. Monthly payments of up to \$10.00 may be accepted.

Q. Termination of Assistance and Termination of Tenancy

1. Termination of Assistance must occur for the reasons below.
 - a) Tenant fails to provide required information.
 - b) Tenant fails to sign and submit required consent and verification forms.
 - c) Tenant has increased ability to pay the full contract rent.
 - d) Tenant fails to move within 30 days of notification that a unit of the proper size is available.
 - e) Citizenship or eligible immigration statuses for any family member cannot be established.
 - f) Student enrolled in an institution of higher learning does not meet eligibility requirements.
 - g) Follow the procedures to terminate assistance as detailed in HUD Handbook 4350.0 Rev-1 Change 4 section 8-6.
 - h) A Property Manager may reinstate a tenant's terminated assistance if:
 - i. The original termination of assistance was due to a tenant's failure to recertify or a tenant's increased ability to pay.
 - ii. The original termination of assistance was not due to fraud.
 - iii. The tenant is eligible for assistance (based on the income and rent calculation, the tenant would pay less than the market rent).
 - iv. The tenant submits the required information.
 - v. Assistance is available for the unit.
2. Termination of Tenancy may occur for the reasons below:
 - a) Substantial lease violations
 - b) Fraud
 - c) Repeated minor violations
 - d) Nonpayment of rent
 - e) Failure to disclose and provide verification of SSN(s)
 - f) Failure to sign and submit consent forms

- g) Drug abuse conviction and other criminal activity conviction
 - h) Material failure to carry out obligations under a State Landlord and Tenant Act
 - i) Extended absence or abandonment of the unit
 - j) Other good causes
 - k) Follow procedures for termination of tenancy at HUD Handbook 4350.3 Rev-1 change 4, section 8-13.
3. An incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be considered a serious or repeated violation of the lease, or good cause for terminating the assistance, tenancy, or occupancy rights.

R. Definitions

1. Definitions in 24CFR Part 880 Section 8 Housing Assistance Payments Program New Construction shall be utilized.
2. Definitions found in Handbook 4350.3, Revision 1, change 4 shall be utilized.

NOTICE

The Nelrod Company has made its best efforts to comply with regulations, laws, and Federal/local policies. The Nelrod Company does not offer advice on legal matters or render legal opinions. We recommend that the Owner's general counsel review this policy prior to implementation.

The Nelrod Company is not responsible for any changes made to these policies by any party other than The Nelrod Company.