

ADMISSIONS AND CONTINUED  
OCCUPANCY PLAN  
FOR  
CONVENTIONAL PUBLIC HOUSING

**Chapter 1**

**STATEMENT OF POLICIES AND OBJECTIVES**

A. San Diego Housing Commission Information ..... 1  
B. Local Objectives ..... 2  
C. Purpose of the Policy ..... 3  
D. Fair Housing Policy ..... 3  
E. Service and Accommodations Policy ..... 3  
F. Public Housing Management Assessment System (PHAS)  
Objectives ..... 4  
G. Family Outreach..... 4  
H. Privacy Rights..... 4  
I. Violence Against Women Act.....4  
J. Limited English Proficiency.....5

**Chapter 2**

**ELIGIBILITY FOR ADMISSION**

A. Qualification for Admission ..... 5  
B. Family Composition..... 6  
C. Citizenship/Eligible Immigration Status..... 8  
D. Other Eligibility Criteria..... 8  
E. One Strike Policy ..... 9  
F. Screening for Suitability ..... 11

**Chapter 3**

**APPLYING FOR ADMISSION**

A. How to Apply..... 14  
B. Notification of Applicant Status ..... 14  
C. Processing Applications..... 15  
D. Final Determination and Notification of Eligibility ..... 16

**Chapter 4**

**TENANT SELECTION AND ASSIGNMENT PLAN**

A. Management of the Waiting List ..... 17  
B. Waiting List Preferences ..... 18  
C. Factors Other Than Preferences That Affect Selection Of Applicants ..... 20  
D. Units Designated For the Elderly ..... 20  
E. Units Designated For Elderly/Disabled ..... 21  
F. Mixed Population Units ..... 21  
G. Units Designated As Accessible ..... 21  
H. De-concentration of Poverty and Income-Mixing ..... 21  
I. Preference Denial ..... 23  
J. Removal from Waiting List and Purging ..... 23  
K. Income Targeting ..... 23  
L. Plan for Unit Offers ..... 23  
M. Changes Prior To Unit Offer ..... 24  
N. Applicant Status After Final Unit Offer ..... 24  
O. Time-Limit for Acceptance of Unit ..... 24

**Chapter 5**

**OCCUPANCY GUIDELINES**

A. Determining Unit Size ..... 26  
B. Exceptions to Occupancy Standards ..... 27  
C. Family Moves ..... 28

**Chapter 6**

**DETERMINATION OF TOTAL TENANT PAYMENT**

A. Minimum Rent ..... 29  
B. Income and Allowances ..... 30  
C. Employment Income ..... 31  
D. Seasonal Employment Income ..... 31  
E. Minimum Income ..... 32  
F. Income of Person Permanently Confined To Nursing Home ..... 32  
G. Child Care Expenses ..... 32  
H. Medical Expenses ..... 33  
I. Proration of Assistance for “Mixed” Families ..... 33  
J. Reduction in Benefits ..... 33  
K. Utility Allowance and Utility Reimbursement Payments ..... 33  
L. Excess Utility Payments ..... 33  
M. Family Choice of Rental Payments ..... 34  
N. Methodology Used To Determine Flat Rents ..... 35

**Chapter 7**

**VERIFICATION PROCEDURES**

A. Methods of Verification and Time Allowed ..... 37  
B. Release of Information ..... 40  
C. Computer Matching ..... 40  
D. Verifying Non-Financial Factors ..... 41  
E. Verification of Suitability for Admission ..... 43  
F. Drug or Violent Criminal History, Registered Sex Offender and Alcohol Abuse ..... 45  
G. Confidentiality of Criminal/Medical Records ..... 46  
H. Definition of Income ..... 46  
I. Verification of Income ..... 47  
J. Verification of Assets ..... 53  
K. Allowances and Deductions ..... 54  
L. Child Care Expenses ..... 55  
M. Medical Expenses ..... 56

**Chapter 8**

**TRANSFER POLICY**

A. General Statement..... 60  
B. Rank Order of Transfer List..... 61  
C. Mandatory Transfers..... 61  
D. Non-Mandatory Transfers..... 62  
E. Emergency Transfers ..... 62  
F. Special Circumstance Transfers..... 62  
G. Moving Costs ..... 62  
H. Security Deposits ..... 63

**Chapter 9**

**LEASING**

A. Lease Orientation..... 64  
B. Execution of Lease..... 64  
C. Additions to the Lease ..... 64  
D. Leasing Units with Accessible or Adaptable Features ..... 66  
E. Utility Services ..... 66  
F. Security Deposits ..... 66  
G. Rent Payments ..... 67  
H. Fees and Nonpayment Penalties ..... 67  
I. Schedules of Maintenance Charges ..... 67  
J. Modifications to the Lease..... 68  
K. Cancellation of the Lease..... 68  
L. Inspections of Public Housing Units ..... 68

**Chapter 10**

**PET POLICY**

A. Animals That Assist Persons with Disabilities..... 72  
B. Management Approval of Pets..... 72

**Chapter 11**

**RECERTIFICATIONS**

A. Eligibility for Continued Occupancy ..... 75  
B. Annual Recertification ..... 75  
C. Reporting Interim Changes ..... 77  
D. Income Changes Resulting From Welfare Program  
Requirements ..... 78  
E. Other Interim Reporting Issues ..... 78  
F. Reporting Of Changes in Family Composition ..... 78  
G. Remaining Member of Tenant Family - Retention of Unit ..... 82  
H. Changes in Unit Size ..... 82  
I. Continuance of Assistance for “Mixed” Families ..... 82

**Chapter 12**

**LEASE TERMINATIONS**

A. Termination by Tenant ..... 83  
B. Termination by SDHC ..... 83  
C. Notification Requirements ..... 83  
D. Terminations Due To Ineligible Immigration Status ..... 84

**Chapter 13**

**COMPLAINTS, GRIEVANCES AND APPEALS**

A. Complaints ..... 86  
B. Appeals by Tenants ..... 86

**Chapter 14**

**FAMILY DEBTS TO THE SDHC**

A. Rent Payment Procedure..... 87  
B. Delinquent Accounts..... 87  
C. Termination of Lease ..... 89  
D. Court Procedures..... 89  
E. Requesting a Pay Plan..... 90  
F. Conditions to Grant Pay Plan..... 90  
G. Pay Plan Agreement General Conditions ..... 91

**Chapter 15**

**ONE STRIKE POLICY**

A. Purpose..... 92  
B. Administration ..... 92  
C. Screening ..... 92

**Chapter 16**

**Community Service**

A. Background..... 94  
B. Definitions ..... 94  
C. Requirements of the Program ..... 95  
D. SDHC Obligations ..... 96

**Chapter 17**

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS)**

A. Selection of Participants and Supportive Services ..... 98  
B. Escrow Accounts ..... 98  
C. Termination of Assistance ..... 98

**Chapter 18**

**GLOSSARY**

I. Terms Used In Determining Rent ..... 99  
II. Glossary of Housing Terms ..... 106  
III. Glossary of Terms Used In the Non-citizens Rule ..... 115

## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### INTRODUCTION

The U.S. Housing Act of 1937 created the Low Rent Public Housing Program.

Administration of the Public Housing Program and the functions and responsibilities of the San Diego Housing Commission (SDHC) staff shall be in compliance with the SDHC's Personnel Policy, SDHC's Equal Opportunity Plan and this Admissions and Continued Occupancy Policy. The administration of this Public Housing Agency's housing program will also meet the requirements of the Department of Housing and Urban Development. Such requirements include any Public Housing Regulations, Handbooks, and applicable Notices. All applicable Federal, State and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts V, VII and IX. (Code of Federal Regulations).

#### A. SAN DIEGO HOUSING COMMISSION INFORMATION

The San Diego Housing Commission (SDHC) was established in 1979 by the San Diego City Council as the administrative agency of the San Diego Housing Authority. It is committed to providing decent, safe, and sanitary and in good repair housing for low-income families, elderly, and persons with disabilities in the City. In furtherance of that goal, the SDHC is dedicated to the implementation of Council Policy 600-10, "Fostering of Balanced Community Development for the City of San Diego" which was adopted on December 26, 1972, and the Housing Element of the General Plan for the City of San Diego adopted in October 1985.

The SDHC owns and manages approximately 1,401 units of Conventional Housing and specific regulations governing the administration of these units are found in the Code of Federal Regulations Title 24 and the HUD Handbook 7465.1. Nan McKay and Associates publishes a practical explanation of these regulations in the Nan McKay training materials. Regulations for the HOME program are found in Code of Federal Regulations, Title 24. currently 41 designated HOME units. The SDHC owns 120 units of Section 8 New Construction, regulations for their administration may be found in the Handbook 4350.1. For regulations and procedures governing the administration of the State of California units managed by the SDHC, staff should reference the Rental Housing Construction Program Handbook. For Tax Credit regulations, reference Section 42 of Internal Revenue Code and California Tax Credit Allocation Committee Compliance Reference Book. Personnel working directly with City of San Diego rental properties will be in direct contact with the City's Property Management department to ensure compliance with their regulations. Finally, reference and all rights, responsibilities incorporate the SDHC's Residential leases here, and obligations found therein must be followed in administering Conventional Public Housing.

Additionally, the City of San Diego is committed to a regional approach to meeting housing needs and cooperates with San Diego County, San Diego Association of Governments (SANDAG), and with other cities in the region towards a region-wide application of Federal Housing Funds. To this end the City adopted by Resolution dated May 1984, the Housing Needs Statement for the San Diego Region, prepared by SANDAG.

On September 10, 1999, the SDHC passed and adopted Resolution 1016, required by HUD (Federal Register, Volt 64, No. 32), to provide for deconcentration of poverty and income mixing in public housing developments by bringing higher income residents into lower income public housing complexes and lower income residents into higher income public housing complexes.

## **B. LOCAL OBJECTIVES**

This Admissions and Continued Occupancy Plan for the Public Housing Program is designed to demonstrate that the SDHC is managing its program in a manner that reflects its commitment to improving the quality of housing available to its public, and its capacity to manage that housing in a manner that demonstrates its responsibility to the public trust. In addition, this Admissions and Continued Occupancy Plan is designed to achieve the following objectives:

1. To provide improved living conditions for extremely low, very low, and low income families while maintaining their rent payments at an affordable level.
2. To operate a socially and financially sound public housing agency that provides decent, safe, sanitary and in good repair housing within a drug free, suitable living environment for residents and their families.
3. To avoid concentrations of economically and socially deprived families in any one or the entire SDHC's public housing developments.
4. To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or create a danger to SDHC employees.
5. To provide opportunities for upward mobility or families who desire to achieve self-sufficiency.
6. To facilitate the judicious management of the SDHC inventory, and the efficient management of the SDHC staff.
7. To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations.

**C. PURPOSE OF THE POLICY**

The purpose of this Admission and Continued Occupancy Policy (ACOP) is to establish guidelines for the San Diego Housing Commission staff to follow in determining eligibility for admission and continued occupancy. These guidelines are governed by the requirements of the Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and the SDHC.

Required portions of this Plan will be provided to HUD.

**D. FAIR HOUSING POLICY**

It is the policy of the Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The SDHC shall not discriminate because of race, color, sex, religion, familial status, disability, national origin, marital status, or sexual orientation in the leasing, rental, or other disposition of housing or related facilities, including land, that is part of any project or projects under the SDHC's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

Posters of information are displayed in locations throughout the SDHC's office in such a manner as to be easily readable from a wheelchair.

To further its commitment to full compliance with applicable Civil Rights laws, the SDHC will provide Federal/State/local information to public housing residents regarding "discrimination" and any recourse available to them if they believe they are victims of discrimination. Such information will be made available to them during resident orientation.

The SDHC's offices are accessible to persons with disabilities. The TDD telephone service provider provides accessibility for the hearing impaired.

**E. ACCOMMODATION AND MODIFICATION POLICY**

The SDHC's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation and modification so that they may fully access and utilize the housing program and related services. The availability of specific accommodation and modification will be made known by including notices on SDHC forms and letters, and all requests will be verified so that the SDHC can properly accommodate the need presented by the disability.

A “reasonable modification” is a structural change made to the premises whereas a “reasonable accommodation” is a change, exception, or adjustment to a rule, policy, practice, or service. Housing providers are responsible for the cost of "reasonable accommodation", unless it is an undue financial and administrative burden, while the tenant or someone acting on the tenant's behalf, is responsible for costs associated with "reasonable modification."

**F. PUBLIC HOUSING MANAGEMENT ASSESSMENT SYSTEM (PHAS) OBJECTIVES (24 CFR 901 & 902)**

The SDHC operates its public housing program with efficiency and can demonstrate to HUD or independent auditors that the SDHC is using its resources in a manner that reflects its commitment to quality and service. The SDHC policies and practices are consistent with the new Public Housing Assessment System (PHAS) outlined in the 24 CFR Parts 901 and 902.

The SDHC is continuously assessing its program and consistently strives to make improvements. The SDHC acknowledges that its performance ratings are important to sustaining its capacity to maintain flexibility and authority. The SDHC intends to diligently manage its current program operations and continuously make efforts to be in full compliance with PHAS. The policies and procedures of this program are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

**G. FAMILY OUTREACH**

The SDHC will publicize and disseminate information to make known the availability of housing units and housing-related services for low-income families on a regular basis.

The SDHC will inform the general public, including potential applicants for Conventional Housing, about its programs by distributing a general information brochure at government offices, social services agencies and sites, and by participating in related resource fairs. In addition, a description of all SDHC Rental Assistance programs, including eligibility requirements, is listed with United Way's Info Line.

In the event there are few or no eligible applicants for certain targeted Conventional Housing units, the SDHC will make all reasonable attempts to inform the members of the target population by using Public Service Announcements and flyers to targeted social services.

**H. PRIVACY RIGHTS**

The SDHC’s policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

**I. VIOLENCE AGAINST WOMEN ACT**

The San Diego Housing Commission will comply with the Violence Against Women Act (VAWA) as signed in to law on January 5, 2006.

SDHC will follow HUD's requirements as established in the regulation.

Upon determination of each individual case, and as needed, the SDHC will make certain that a referral is made to the San Diego County Mental Health Services, Child Protective Services, and Adult Protective Services agencies and any other service providers to ensure the family's safety. The SDHC will cooperate with the social services agencies to make sure that the family is able to maintain their housing assistance.

**J. LIMITED ENGLISH PROFICIENCY**

Bilingual Staff have been hired to assist in the Limited English Proficiency requirement

**Chapter 2**

**ELIGIBILITY FOR ADMISSION  
[24 CFR 960.201]**

**A. QUALIFICATION FOR ADMISSION**

It is the SDHC's policy to admit qualified applicants only. An applicant is qualified if he or she meets the following criteria:

1. Is a family as defined in this Chapter;
2. Heads a household where at least 1 member of the household is either a citizen or eligible non-citizen. (24 CFR Parts 200 and Part 5, Subpart E).
3. Has an Annual Income at the time of admission that does not exceed the income limits for occupancy established by HUD and set forth in this policy.
4. Provides a Social Security number for all family members, age 6 or older, or will provide written certification that they do not have Social Security numbers;
5. Meets or exceeds the tenant Selection and Suitability Criteria as set forth in this policy.
6. In order to provide an increased sense of security for public housing residents the SDHC may allow public housing units to be occupied by police officers.

**Persons Subject to Sex Offender Registration Requirement:**

24 CFR (960.204 (a)(4))

The entire household is disqualified from admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. Background checks will be performed in other States where household members are known to have resided.

**Person with Disabilities**

Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for the purpose of eligibility for low-income housing, solely on the basis of any drug or alcohol dependence.

## **B. FAMILY COMPOSITION**

### **Definition of Family**

The applicant must qualify as a Family. A Family may be a single person or a group of persons. A group of persons is defined as 2 or more persons who intend to share residency whose income and resources are available to meet the family's needs, and will live together in public housing.

HUD in 24 CFR 5.403 defines elderly, disabled, and displaced families.

The term "Family" also includes, but is not limited to:

- A family with or without children;
- An elderly family;
- A disabled family;
- A displaced family;
- The remaining member of a tenant family;
- A single person who is not elderly, displaced, or a person with disabilities, or the remaining member of a tenant family;
- 2 or more elderly or disabled persons living together, or 1 or more elderly or disabled persons living with 1 or more live-in aides is a family;
- 2 or more near-elderly persons living together, or 1 or more near-elderly persons living with 1 or more live-in aides;
- Independent student (see Glossary for definition)

Children who are "temporarily" absent from the home due to placement in foster care are considered to be part of the household when determining the family composition and family size.

### **Head of Household**

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Emancipated minors who qualify under State law will be recognized as head of household if there is a court ordered recognizing them as an emancipated minor.

Persons who are married are legally recognized as adults under State law.

A family may designate an elderly or disabled family member as head of household solely to qualify the family as an Elderly Family, provided that the person is at least partially responsible for paying the rent

### **Co-Head of Household**

The co-head of household is the adult member of the household who is designated by the family

as co-head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Emancipated minors who qualify under State law will be recognized as co-head of household if there is a court ordered recognizing them as an emancipated minor.

Persons who are married are legally recognized as adults under State law.

A family may designate an elderly or disabled family member as co-head of household solely to qualify the family as an Elderly Family, provided that the person is at least partially responsible for paying the rent

A person designated as co-head of household cannot also qualify as a full-time student.

### **Spouse of Head Household**

Spouse means the husband or wife of the head of household.

For proper application of the Non-citizen Rule, the definition of spouse is: the marriage partners whom, in order to dissolve the relationship, and would have to be divorced. The term "spouse" does not apply to boyfriends, girlfriends, or significant others.

### **Live-In Attendants**

A Family may include a live-in aide provided that the live-in aide:

Is determined by the SDHC to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,

Is not obligated for the support of the person(s), and

Would not be living in the unit except to provide supportive services for the person(s).

A live-in aide is not considered to be an assisted family member and has no rights or benefits under the program:

1. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
2. Live-in aides are not subject to Non-Citizen Rule requirements.
3. Live-in aide must meet the One-Strike Policy criteria for eligibility.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

Family members of a live-in attendant may also reside in the unit, providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the family member does not overcrowd the unit.

**C. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS**

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

**D. OTHER ELIGIBILITY CRITERIA**

All applicants will be processed in accordance with HUD's regulations (24 CFR Part 960) and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

1. to pay rent and other charges as required by the lease in a timely manner;
2. to care for and avoid damaging the unit and common areas;
3. to use facilities, appliances and equipment in a reasonable way;
4. to create no health or safety hazards, and to report maintenance needs in a timely manner;
5. not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others;
6. not to engage in criminal activity nor alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off the public housing premises;
7. not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed."
8. to comply with necessary and reasonable rules and program requirements of HUD and the SDHC; and,
9. to comply with local health and safety codes.

**Denial of Admission for Previous Debts to This or Any Other PHA**

Previous outstanding debts to SDHC or any PHA resulting from a previous tenancy in the public housing or section 8 program must be paid in full prior to admission. No Payment Agreement will be accepted.

Either spouse is responsible for the entire debt incurred as a previous SDHC tenant. Children of the head or spouse, who had incurred a debt to the SDHC, while children were minors, will not be held responsible for the parent's previous debt.

**E. ONE STRIKE POLICY (SEE Chapter 15)**

**Denial of Admission for Drug-Related and/or Other Criminal Activity**

HUD Definitions

*Drug-related criminal activity* is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Drug-related criminal activity means *on or off the premises, not just on or near the premises*.

*Criminal activity* includes any criminal activity that threatens the health, safety or right to peaceful enjoyment of the resident's public housing premises by other residents or employees of the SDHC.

**Standard for Denial**

Persons evicted, or who had their program participation terminated from any subsidized housing program are ineligible for admission to Public Housing.

No member of the applicant's family may have "engaged in" drug related or violent criminal activity within the past 5 years, or been convicted in the last 5 years.

The SDHC will permanently deny admission to public housing units, persons convicted of manufacturing or producing methamphetamine (speed) in violation of any Federal or State law, and persons convicted of rape, murder, attempted murder or child molestation.

The SDHC will deny participation in the program to applicants where the SDHC determines there is reasonable cause to believe that the person is currently using an illegal controlled substance or engaging in drug-related or other criminal activity. The same will apply if it is determined that the person is abusing alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents.

*"Engaged in or engaging in or recent history of"* drug related criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal

activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

***“Engaged in or engaging in or recent history of”*** criminal activity means any act within the past **5** years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the housing premises by other residents or employees of the SDHC, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

**EVIDENCE OF REHABILITATION**

- 1.Applicant or resident has no further evictions, arrests or convictions since the last recorded occurrence;
- 2.Applicant or resident has active\* participation in a licensed, accepted\*\* rehabilitation program for a minimum of 12 consecutive months;
- 3.Applicant has certification\*\*\* from that program and the Head of Household that the responsible party is clean and sober or no longer participating in drug related or violent crime.

\* Applicant can document attendance at regular meetings and follow through on activities.

\*\* The program is a member of a national professional association and follows those professional guidelines in the delivery of services.

\*\*\* Provide as third party verification.

In evaluating evidence of negative past behavior, the SDHC will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

The SDHC may permit eligibility for occupancy and impose conditions that the involved family member(s) does not reside in the unit. The SDHC will consider evidence that the person is no longer in the household such as divorce decree/death/copy of a new lease with the owner’s telephone number and address/or other substantiating evidence.

**Confidentiality of Rehabilitation Records**

Information received by the SDHC from a drug treatment facility is destroyed, once the purpose(s) for which the record was requested has been accomplished, including period for filing a challenge to the SDHC; not later than 5 business days after the SDHC makes a final decision to admit the person. The information will remain confidential in accordance with section 543 of the Public Health Service Act (12 U.S.C. 290dd-2).

**Other criminal activity**

Other criminal activity means a history of criminal activity involving crimes of actual or threatened violence to persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents.

- No family member may have engaged in or threatened abusive or violent behavior toward SDHC personnel at any time.
- No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal program, i.e., (housing, welfare, social security, etc.) in the last 10 years.
- The entire household is disqualified from admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The SDHC may pursue fact-finding efforts as needed to obtain preponderance of evidence and/or credible evidence.

**Confidentiality of Criminal Records**

The SDHC will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated and must be destroyed once the purpose(s) for which the record was requested has been accomplished, including period for filing a challenge to the SDHC. Not more than 30 days after the SDHC's final decision.

**Disclosure of Criminal Records to Family**

Before the SDHC takes any adverse action based on a criminal conviction record, the applicant will be provided with a copy of the criminal record and an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at an administrative review. Tenants may contest such records at the court hearing in the case of evictions.

**Hearings** (See Chapter 13. Complaints and Appeals)

If information is revealed that would cause the SDHC to deny admission to the household and the person disputes the information, she/he shall be given an opportunity for an informal hearing according to the SDHC's hearing procedures outlined in Chapter 13. Complaints and Appeals.

**F. SCREENING FOR SUITABILITY**

[24 CFR 960.204, 960.205]

It is the policy of the SDHC to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the development or neighborhood, or on the quality of life for its residents.

The SDHC will conduct a detailed interview of all applicants. The interview form will contain

questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy. Answers will be subject to third party verification. The SDHC will complete a credit check for all adult members of the household.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance which they can demonstrate that they have or will have at the time of admission. (24 CFR 8.2 Definition: Qualified Individual with Handicaps) The availability of assistance is subject to verification by the SDHC.

The SDHC's minimum age for admission as head of household is 18, or an emancipated minor, to avoid entering into leases that would not be valid or enforceable under applicable law.

The SDHC's examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

1. The applicant's past performance in meeting financial obligations, especially rent.
2. Eviction or a record of disturbance of neighbors sufficient to warrant a police call, destruction of property, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other tenants or neighbors.
3. Any history of criminal activity on the part of any applicant family member involving criminal acts, including drug-related criminal activity.
4. Any history or evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors.
5. Any history of initiating threats or behaving in a manner indicating intent to assault employees or other tenants.
6. Any history of alcohol or substance abuse that would threaten the health, welfare, or right to peaceful enjoyment of the premises by other residents.
7. The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by the SDHC. The information to be considered in the screening process shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing. A visit to the applicant's present residence may be performed as part of the screening process.

The history of applicant conduct and behavior must demonstrate that the applicant family

can reasonably be expected not to:

- a. Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare. [24 CFR 960.205(b)]
- b. Adversely affect the physical environment or financial stability of the project. [24 CFR 960.205(b)]
- c. Violate the terms and conditions of the lease. (24CFR 8.3).
- d. Require services from SDHC staff that would alter the fundamental nature of the SDHC's program [24 CFR 8.3]

### **Rent Paying Habits**

The SDHC will examine any records from a prior or current tenancy, and will request written references from the applicant's current and former landlords for up to the past 5 years, A minimum of one year tenancy is required.

### **Screening Applicants Who Claim Mitigating Circumstances**

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, the SDHC shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. The SDHC shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

Chapter 3

**APPLYING FOR ADMISSION**

**INTRODUCTION**

The policy of the SDHC is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the SDHC will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Policy.

**A. HOW TO APPLY**

Families who wish to apply for any of the SDHC's programs must complete an application form when application taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

- The application process is to determine the family's eligibility for, and placement on, the waiting list.
- The eligibility process takes place when the family reaches the top of the waiting list. At this time the SDHC ensures that verification of all HUD and SDHC eligibility factors is current in order to determine the family's eligibility for an offer of a suitable unit.

**B. NOTIFICATION OF APPLICANT STATUS**

If after a review of the application the family is determined to be preliminarily eligible, they will be notified in writing (in an accessible format upon request, as a reasonable accommodation).

This written notification of preliminary eligibility will be mailed to the applicant by first class mail.

If the family is determined to be ineligible based on the information provided in the application, the SDHC will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an administrative review. Persons with disabilities may request to have an advocate attend the administrative review as an accommodation. See Chapter on Complaints and Appeals.

### **Requirement to Attend Interview**

The SDHC utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information that has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other SDHC services or programs that may be available.

All adult family members must attend the interview and sign the housing application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

It is the applicant's responsibility to reschedule the interview if she/he misses the appointment. If the applicant does not reschedule or misses two scheduled meeting(s), the SDHC may reject the application.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.

### **C. PROCESSING APPLICATIONS**

As families approach the top of the waiting list, the following items will be verified to determine qualification for admission to the SDHC's housing:

1. Local preference verification
2. Family composition and type (elderly/non elderly)
3. Annual Income
4. Assets and Asset Income
5. Deductions from Annual Income
6. Social Security Numbers of all family members
7. Information used in applicant screening
8. Citizenship or eligible immigration status
9. Criminal History Report
10. Suitability factors

**D. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, the SDHC will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the SDHC, and the tenant suitability determination (see Chapter 4: Tenant Selection and Assignment Plan).

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

## Chapter 4

### **TENANT SELECTION AND ASSIGNMENT PLAN (Includes Preferences and Managing the Waiting List) [24 CFR 960.204]**

#### **INTRODUCTION**

Applicants will be listed in sequence based upon date and time the application is received, the size and type of unit they require, and factors of preference or priority. In filling an actual or expected vacancy, the SDHC will offer the dwelling unit to an applicant in the appropriate sequence. The SDHC will offer the unit until it is accepted. This Chapter describes the SDHC's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list.

#### **Cooperative Waiting List**

The SDHC and the Housing Authority of the County of San Diego have agreed to maintain a cooperative waiting list for those applicants who live in the jurisdiction of the other housing agency.

Each housing agency will exchange waiting list applications, preserving the original date and time of application for applicants residing in the jurisdiction of the other agency.

Upon receipt of this data, each housing agency will integrate such applicants into its current waiting list using the original date and time of application.

By maintaining an accurate waiting list, the SDHC will be able to perform the activities, which ensure that an adequate pool of qualified applicants will be available to fill unit vacancies in a timely manner. Based on the SDHC's turnover and the availability of appropriate sized units, groups of families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on completion of verification.

#### **A. MANAGEMENT OF THE WAITING LIST**

The SDHC will administer its site-based waiting list as required by 24 CFR Part 5, Subparts E and F, Part 945 and 960.201 through 960.215. The site-based waiting list will be maintained in accordance with the following guidelines:

The application will be a permanent file.

All applicants in the pool will be maintained in order of preference.

Applications equal in preference will be maintained by date and time sequence.

The waiting list will be a site-based waiting list.

**Opening and Closing the Waiting Lists.**

The SDHC, at its discretion, may restrict application intake, suspend application intake, and close site-based waiting lists in whole or in part with the approval of the SDHC Board of Commissioners.

The decision to close the site-based waiting list will be based on the number of applications available for a particular size and type of unit, and the ability of the SDHC to house an applicant in an appropriate unit within a reasonable period of time.

When the SDHC opens the site-based waiting list, the SDHC will advertise through public notice in local newspapers, minority publications, media entities, and community based or social service organizations.

During the period when the site-based waiting list is closed, the SDHC will not maintain a list of individuals who wish to be notified when the site-based waiting list is open.

Suspension of application taking is announced in the same way as opening the site-based waiting list.

The SDHC will update the site-based waiting list at least every 12-18 months by removing the names of those families who are no longer interested, no longer qualify for housing, or cannot be reached by mail or telephone. At the time of initial intake, the SDHC will advise families of their responsibility to notify the SDHC when mailing address or telephone numbers change.

**Multiple Families in Same Household.**

When families apply that consist of 2 families living together, (such as a mother and father, and a daughter with her own child or children), if they apply as a family unit, they will be considered as one family unit.

**B. WAITING LIST PREFERENCES**

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the site-based waiting list. Every applicant must meet the SDHC's Selection Criteria as defined in this policy.

The SDHC's preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations, and further deconcentration of poverty in public housing. When such matching is required or permitted by current law, the SDHC will give preference to qualified families.

Families who reach the top of the site-based waiting list will be contacted by the SDHC to verify

their preference and, if verified, the SDHC will complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may not retain their place on the site-based waiting list if they refuse to complete their processing when contacted by the SDHC.

Among applicants with equal preference status, the site-based waiting list will be organized by date and time.

### **Verification Requirement for Preference: Homeless**

Homeless applicants who meet the Homeless criteria must provide certification of homeless status from a public or private facility that provides shelter for such households, or from the local police department, or any social service agency that provides services for homeless people.

Applicants who are homeless due to residing in a transitional housing program must provide a letter from the transitional program's sponsoring agency documenting the applicant's participation and readiness to maintain an independent tenancy.

### **Local Preferences**

The SDHC will utilize the Agency Plan process or similar process when changing its preference system which includes a Public Hearing and approval by the Housing Authority.

The SDHC uses the following local preference system:

#### **WAITING LIST ORDER**

WITHIN EACH OF THE ABOVE NUMBERED CATEGORIES, APPLICANTS WILL BE SERVED ON A *FIRST COME/FIRST SERVED BASIS* WITH ALL VETERANS\* BEING SERVED BEFORE OTHER APPLICANTS IN THE NUMBERED CATEGORY

\* Throughout this document "Veteran" is defined as the head or spouse being a veteran or family of a veteran; also, active U.S. servicepersons qualify as veterans. (*See II. Glossary of Housing Terms: "Family of Veteran"*)

Date and time of receipt of a completed application.

Residency preferences for families who live, work, or have been hired to work in the jurisdiction.

Homeless person with a disability

Elderly (62 years or older)

Disability

Veteran

Active U.S. Military personnel.

Within each of the following numbered categories, applicants will be served by date and time of application.

1. Applicants who live and/or work in the City of San Diego and who are families with dependents or single persons who are disabled or age 62 or older, or veterans, or active U.S. Servicepersons or a homeless person with a disability
2. Other applicants who live and/or work in the City of San Diego
3. Applicants who do not live and/or work in the City of San Diego and who are families with dependents or single persons who are disabled or age 62 or older, or veterans, or active U.S. Servicepersons or a homeless person with a disability
4. Other applicants who do not live and/or work in the City San Diego

When a family has been selected from the site-based waiting list, they must be prepared at that time to begin the eligibility process. If the family is unable, they will be dropped from the site-based waiting list.

**C. FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS**

Before applying its preference system, the SDHC will first match the characteristics of the available unit to the applicants available on the site-based waiting list. Factors such as unit size, accessible features, deconcentration or income mixing, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit, family characteristics and income, it is possible that families who are lower on the site-based waiting list may receive an offer of housing ahead of families with an earlier date and time of application.

**D. UNITS DESIGNATED FOR THE ELDERLY**

The SDHC will take the following action when processing families for developments designated for the elderly:

- (1) When there are insufficient elderly families (62+) who wish to reside in a development, families with head or spouse ages 55-61 receive a preference for this type of unit. (City of San Diego Conditional Use Permit: Restricted to age 55 or older).

(2) When there are insufficient elderly or families with head or spouse ages 55-61 who wish to reside in a development, and units are ready for leasing more than 30 days, all other family types are eligible for such units.

- Families with members who require a unit with accessible features will receive preference for such units over families who do not require such features.

**E. UNITS DESIGNATED FOR ELDERLY/DISABLED.**

The SDHC will take the following action when processing families for developments designated for the elderly/disabled:

(1) When there are insufficient elderly (62+) or disabled families who wish to reside in a development, families with head or spouse ages 55-61 receive a preference for this type of unit. (City of San Diego Conditional Use Permit: Restricted to age 55 or older).

(2) When there are insufficient elderly or disabled or families with head or spouse ages 55-61 who wish to reside in a development, and units are ready for leasing more than 30 days, all other family types are eligible for such units.

- Families with members who require a unit with accessible features will receive preference for such units over families who do not require such features.

**F. MIXED POPULATION UNITS.**

In accordance with the 1992 Housing Act, elderly families whose head spouse or sole member is at least 62 years of age, and disabled families whose head, co-head or spouse or sole member is a person with disabilities, will receive equal preference with families for admission to such units. No limit will be established on the number of elderly or disabled families that may occupy a mixed population property. All other SDHC preferences will be applied.

**G. UNITS DESIGNATED AS ACCESSIBLE**

The SDHC has units designed for persons with mobility, sight and hearing impairments (referred to as accessibility units). These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

**H. DECONCENTRATION OF POVERTY AND INCOME-MIXING**

(Implementation shall occur beginning 7-01-2002)

The SDHC's admission policy is designed to provide for deconcentration of poverty and mixing higher income tenants with lower income tenants and vice versa.

**Annual Review of Tenant Characteristics**

The SDHC will determine and compare the relative tenant incomes of each covered development (applies to general occupancy, family public housing developments, excluding developments which house only elderly persons or persons with disabilities or both; developments approved for demolition or for conversion to tenant-based assistance) and the average annual income of all families at these developments.

Upon analyzing its findings the SDHC will apply the policies, measures and incentives to bring higher income families into lower income developments and lower income families into higher income developments.

Agency-wide average annual income is established by averaging the annual income of all residents at all covered developments.

Definition of lower income development: The average annual income of the development is 85% or below that of the Agency-wide average.

Definition of higher income development: The average annual income of the development is 115% or above that of the Agency-wide average.

The SDHC will reserve at least 40% percent of new admissions (lease-ups) to its public housing program in each fiscal year for "extremely-low" income families (30% below MAI) and the remaining 60% percent of new admissions for "low-income" families (31-80% of Median Area Income).

In order to further deconcentration efforts the SDHC may skip over low-income families on the waiting list to select higher income families for lower income developments and may skip over high-income families on the waiting list to select lower income families for higher income developments.

**SDHC Incentives for Higher and Lower Income Families**

In addition to maintaining its public housing stock in a manner that is safe, clean, well landscaped and attractive, the SDHC may offer the following incentives for higher income families (above 30% of MAI) moving into lower income developments and for lower income families (below 30% MAI) moving into higher income developments.

SDHC will approve a transfer request to another development of the family's preference after one year of occupancy at a development designated for deconcentration. (Such transfers will be based on date order of similar requests received).

After a third referral for housing the SDHC may offer a choice of any lower-income development to a family with an income above 30% of Median Area Income, or a choice of any higher-income development to a family with an income below 30% of Median Area Income.

The SDHC may offer two (2) months free rent.

The SDHC may offer larger bedroom sizes to smaller families.

The SDHC's goal is to further deconcentration by proactively mixing incomes of households residing in particular public housing developments. Family self-sufficiency efforts for current residents may help in attaining this goal.

**I. PREFERENCE DENIAL** [24 CFR 5.415]

If the SDHC denies a preference, the SDHC will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an administrative review. The applicant will have 17 working days to request the meeting in writing. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list with notification to the family.

**J. REMOVAL FROM WAITING LIST AND PURGING** [24 CFR 960.204(a)]

The waiting list will be purged at least every 12-18 months by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for current information and confirmation of continued interest.

Applicant removed from the waiting list may be reinstated with verifiable “good cause”; example would be for medical circumstances.

**K. INCOME TARGETING**

The SDHC will monitor its admissions (lease-ups) to ensure that at least 40% percent of families admitted to public housing in each fiscal year shall have incomes that do not exceed 30% of median area income of the SDHC’s jurisdiction.

**L. PLAN FOR UNIT OFFERS**

Three offers of a vacant unit of appropriate bedroom size, at different complexes, will be made in rank order from the approved waiting pool. Public housing residents needing

transfers will have priority over applicants.

All offers of housing will be for the longest vacant unit of the appropriate bedroom size.

\*NOTE: Exception to the above may occur due to Deconcentration Policy (see this Chapter, Section H).

The SDHC will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

#### **M. CHANGES PRIOR TO UNIT OFFER**

Once the family has been determined eligible and prior to an offer of a suitable unit, changes in family composition, status or income may affect the family's eligibility or rent determination. Income changes will not result in denial of eligibility. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an administrative review when applicable.

#### **N. APPLICANT STATUS AFTER FINAL UNIT OFFER**

When an applicant rejects the final unit offer the SDHC will:

- Remove the applicant's name from the waiting list.

Removal from the waiting list means:

- The applicant must reapply

#### **O. TIME-LIMIT FOR ACCEPTANCE OF UNIT**

Applicants must respond to a unit offer within 4 calendar days of the date of the letter. The SDHC will also attempt to call the applicant.

#### **Applicants Unable to Take Occupancy**

If an applicant is willing to accept the unit offered, but is unable to take occupancy at the time of the offer for "*good cause*," the applicant will not be removed from the waiting list and not counted as an offer of housing.

Examples of "*good cause*" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing. [24 CFR 945.303(d)]

Presence of lead paint in the unit offered when the applicant has children under the age specified by current law;

The family demonstrates to the SDHC's satisfaction that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered to be good cause.

A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member.

The unit is inappropriate for the applicant's disabilities.

The applicant is unwilling to accept the unit offered because acceptance would result in undue economic or medical hardship defined as:

1. Family member requires more than two visits a week with a physician for medical treatment and the medical facility is in excess of 25 miles from the unit, or
2. The location of the unit is in excess of 25 miles from place of employment, educational, or training facility, or public transportation is not readily accessible, taking in excess of one hour from point of pick up to place of employment. Normally where public transportation is available, services are considered accessible.

Economic hardship can include condition beyond Family's control that negatively affects progress towards self-sufficiency.

## Chapter 5

### OCCUPANCY GUIDELINES

#### **INTRODUCTION**

The Occupancy Guidelines are established by the SDHC to ensure that families of the appropriate size occupy units. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

#### **A. DETERMINING UNIT SIZE**

The SDHC does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom. The SDHC's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years or older or an emancipated minor.

All guidelines in this section relate to the number of bedrooms in the unit. Dwelling units will be so assigned that:

- Generally the SDHC will assign one bedroom to two people within the following guidelines:
- Adults of different generations, adults of the opposite sex (other than spouses or partnership relationship), and unrelated adults will not be required to share a bedroom. A minor will not be required to share a bedroom with a parent or guardian. Minors of the opposite sex will not be required to share a bedroom.
- Foster children/adults will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.

**GUIDELINES FOR DETERMINING BEDROOM SIZE**

| <b>Bedroom Size</b> | <b>Persons in Household:<br/>(Minimum #)</b> | <b>Persons in Household:<br/>(Maximum #)</b> |
|---------------------|--|--|
| 1 Bedroom           | 1  | 2  |
| 2 Bedrooms          | 2  | 4  |
| 3 Bedrooms          | 3  | 6  |
| 4 Bedrooms          | 4  | 8  |
| 5 Bedrooms          | 6  | 10   |

**B. EXCEPTIONS TO OCCUPANCY STANDARDS**

The SDHC will grant exceptions from the guidelines in cases where it is the family’s request and/or the SDHC determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

1. Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to local codes). The family must agree not to request a transfer until their family composition changes or they have occupied the unit for 3 years.

A family that voluntarily accepts a unit that is smaller than what the family is eligible for will be required to sign a statement stating that unless there is an increase in family size the family agrees that they are not eligible for transfer to a larger unit for at least 3 years.

The SDHC may offer a family a unit that is larger than required by the SDHC’s occupancy standards, if the waiting list is short of families large enough to fill the vacancy or the SDHC determines that the common area for the project is insufficient for accommodating any additional large families.

2. The family may request to be placed on a larger bedroom size waiting list than indicated by the SDHC’s occupancy guidelines. The request must explain the need or justification for a larger bedroom size, and must be verified by the SDHC before the family is placed on the larger bedroom size list. The SDHC will consider these requests:

**Person with Disability**

The SDHC will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified and meets requirements in Chapter 1, E. Service and Accommodations Policy.

**Other Circumstances**

Circumstances may dictate a larger size than the occupancy standards permit when:

Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. A doctor must verify requests for a larger bedroom due to medical equipment.

A medical professional must verify requests based on health related reasons.

3. In order to achieve deconcentration the SDHC will apply the policies, measures and incentives to bring higher income families into lower income developments or vice versa. The SDHC may offer incentives for higher income families moving into lower income developments or vice versa.

The SDHC will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

All members of the family residing in the unit must be approved by the SDHC. The family must obtain written approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the SDHC within 10 days.

**C. FAMILY MOVES**

When a change in the circumstances of a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the supervisor who will make determination after reviewing the situation, the individual circumstances, and the verification provided.

NOTE: Chapter 8, Transfer Policy

## Chapter 6

### DETERMINATION OF TOTAL TENANT PAYMENT

[24 CFR 5.609, 5.611, 5.613, 5.615]

#### INTRODUCTION

Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda. The formula for the calculation of TTP is specific and not subject to interpretation. The SDHC's policies in this Chapter address those areas, which allow the SDHC discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

#### A. MINIMUM RENT

The minimum rent is \$50.

The Total Tenant Payment is the greater of:

30% of the adjusted monthly income; or

10% of the monthly income.

The minimum rent of \$50 as established by the SDHC

The minimum rent refers to a minimum total tenant payment and not a minimum tenant rent.

The SDHC recognizes that in some instances even the minimum rent may create a financial hardship for families. The SDHC will review all relevant circumstances brought to the SDHC's attention regarding financial hardship as it applies to minimum rent. The following section states the SDHC's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998 (QHWRA).

#### Exception for Hardship Circumstance

1. The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
2. The family would be evicted as a result of the imposition of the minimum rent requirement;
3. The income of the family has decreased because of changed circumstance, including loss of employment;

4. Death in the family has occurred; and
5. Other situations as may be determined by the SDHC.

The SDHC notification will advise the family that hardship exception determinations are subject to SDHC grievance procedures.

The SDHC will review all tenant requests for exception from the minimum rent due to financial hardships.

### **Request for Hardship Exemption**

1. The SDHC must suspend the minimum rent requirement beginning the month following the family's request for a hardship exemption, and continuing until the SDHC determines whether there is a qualifying financial hardship and whether it is temporary or long term.
2. The SDHC must promptly determine whether a qualifying hardship exists and whether it is temporary or long term.
  - a. Temporary is less 3 months.
  - b. Long-term is more than 3 months
3. SDHC may not evict the family for nonpayment of the minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption.
4. If a qualifying financial hardship is determined temporary, the SDHC must reinstate the minimum rent from the beginning of the suspension of the minimum rent. The family must be offered a reasonable repayment agreement, on terms and conditions established by the SDHC, for the amount of back minimum rent owed.
5. If a qualifying financial hardship is determined long term, the SDHC must exempt the family from the minimum rent requirements so long as such hardship continues. The financial hardship exemption applies to payment of the minimum rent and not to the other elements used to calculate the total tenant payment. A review of the financial hardship will be conducted every 90 days to determine continued exemption.

### **B. INCOME AND ALLOWANCES**

***Income:*** HUD defines the types of money, which are to be used as income for purposes of calculating the TTP in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms.)

**Annual Income** is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income, which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. (24 CFR 5.607)

**Adjusted Income** is defined as the Annual income minus any HUD allowable deductions.

**Optional Income Exclusions** The SDHC does not adopt any additional exclusions or adjustments to annual income of tenants.

**Sporadic Income** occurs at irregular intervals; having no pattern or order in time.

How many times received during the year to be annual vs. sporadic?

**C. EMPLOYMENT INCOME**

Gross amount, prior to payroll deductions.

- Includes overtime, commissions, fees, tips and bonuses

**D. SEASONAL EMPLOYMENT INCOME**

When Annual Income cannot be anticipated for a full twelve months, the SDHC will:

Method 1

Annualize current income, and *conduct an interim reexamination* when the income changes.

Method 2

Calculate the actual anticipated income from all known sources for the entire year. This means there will be *no interim reexamination when the income changes* as already anticipated. However, to use method 2, a history of the individual’s income from past years is needed. This method cannot be used when the future income source is “unknown” or “none”.

|   |                                     |         |
|---|-------------------------------------|---------|
| <b>EXAMPLE:</b>   |                                     |         |
| Maggie Price is currently employed as a tile setter with Heinz construction, earning \$1,200 per month. For the last 3 years, she has worked this job for 8 months per year during the construction season. During the other 4 months of each year, she works part-time at Canon Printers, earning \$500 per month.   |                                     |         |
| <b>Under Method 1</b> , multiply current incomes times 12 months.<br>$\$1,200 \text{ a month} \times 12 \text{ months} = \$14,400 \text{ per year}$<br>When the construction season ends, <i>conduct an interim reexamination</i> , multiplying the new current income times 12 months.<br>$\$500 \text{ a month} \times 12 \text{ months} = \$6,000 \text{ per year.}$ |                                     |         |
| <b>Under Method 2</b> , anticipating income from all known sources for the entire year.   |                                     |         |
| Heinz Construction  | $\$1,200 \times 8 \text{ months} =$ | \$9,600 |
| Canon Printers  | $\$500 \times 4 \text{ months} =$   | \$2,000 |

|   |          |
|---|----------|
| Total   | \$11,600 |
| Since the change in income was anticipated, there would be <i>no interim reexamination conducted</i> when the participant changes jobs from Heinz Construction to Canon Printers. |          |

**E. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 3 months.

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

The SDHC may request credit checks for all adult members of families that report zero income.

Where credit reports show credit accounts open and payments current, the SDHC will take action to investigate the possibility of fraud or program abuse.

**F. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the SDHC will calculate the Total Tenant Payment by:

Including the income of the person permanently confined to the nursing home and giving the family the medical deductions allowable on behalf of the person in the nursing home. This will be the remaining balance available to the family member left in the household for their expenses.

**G. CHILD CARE EXPENSES**

The SDHC shall determine whether child care costs are “reasonable.”

Actual reasonable un-reimbursable childcare expenses for children under 13 may be deducted from annual income if they enable an adult to actively seek employment, be gainfully employed, or, further his/her education full time, or if head/spouse is attending on-line classes at home or even for homework, This may include family enrolling child in camp instead of childcare (such as during the summer so parent can work)

Child care expenses deducted to permit employment may not exceed the amount of employment income included in annual income.

Child care expenses of Foster Children, may be included, only if they are not reimbursed.

When a family member works and goes to school, the child care expense must be prorated so that the portion of the total child care expense that is specifically related to the hours the family member works cannot exceed the amount earned.

**H. MEDICAL EXPENSES** [24 CFR 5.603]

Nonprescription medicines and treatment must be doctor-recommended in order to be considered a medical expense; and

Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts with identification of the type of purchase.

An assistance animal is one that works, provides assistance or performs tasks for the benefit of a person with a disability. The need for an assistance animal has to be directly related to a disability, and the services performed by the animal must alleviate one or more identified symptom of that person's disability.

Veterinary bills as well as other expenses related to the upkeep of the assistance animal or companion animal are allowed medical expense for a qualified assistance animal.

**I. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.520]

**Applicability**

Prorating of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

**J. REDUCTION IN BENEFITS**

See Chapter 11: D. Income Changes Resulting from Welfare Program Requirements

**K. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS**

If the cost of utilities (excluding telephone) is not included in the Tenant Rent, a utility allowance will be deducted from the total tenant payment. The Utility allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost, for reasonable consumption, of utilities in an energy conservative household, *not* on a family's actual consumption.

**L. INDIVIDUAL RELIEF FROM PAYMENT OF UTILITIES IN EXCESS OF ALLOWANCES**

Relief from payment of utility supplier billings in excess of the allowances for resident-purchased utilities, may be granted by the SDHC on reasonable grounds, such as special needs of elderly, ill or disabled residents, or special factors affecting utility usage not within the control of the resident, as the SDHC shall deem appropriate.

The medical baseline allowance provides additional regulated utility charges at the baseline rate,

which is the lowest rate for residential customers. It is not a discount or rebate.

### **Criteria for Granting Relief**

To qualify, the resident or a member of the household must meet one of the following requirements:

- Resident must meet requirements as specified by the utility provider.
- Resident is responsible for notifying the SDHC if the medical equipment is no longer needed, or if the household member using it no longer resides in the household.
- The medical baseline allowance is transferable should the qualifying member of the household move to another public housing unit.

### **Procedure for Requesting Relief**

1. Resident must contact his/her Housing Assistant and request relief from excess consumption of utilities. The additional medical baseline allowance for consumption will be incorporated with the unit's standard consumption allowance.
2. Application must be made and approved by the utility supplier to receive the medical baseline allowance.
3. A doctor's verification of the medical condition, or need for the equipment, or both, must be provided to the SDHC.
4. Verification from the utility supplier of approval of the medical baseline allowance, must be provided to the SDHC.

### **M. FAMILY CHOICE OF RENTAL PAYMENT**

Residents may choose annually their rental payment based on either a flat rent or the income based calculated rent method. 60-day notice may be given to residents when the flat rent increases, according to State provisions.

Except for financial hardship cases, the family may not be offered this choice more than once a year.

Regardless of whether the family chooses to pay a flat rent or income-based rent, the family must pay at least the minimum rent.

A family paying flat rent may at any time request a switch to income-based rent (before the next annual option to select the type of rent).

If the family has elected to pay the flat rent, the SDHC must immediately allow the family to pay

the income-based calculated rent if the family is unable to pay the flat rent because of hardship.

**Hardship Includes:**

- Income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income or other assistance.
- An increase, because of changed circumstances, in the family's expenses for medical costs, childcare, transportation, education, or similar items.
- Other situations as determined by the SDHC.

The SDHC will review the income of families that are paying flat rents not less than once every three years.

**Information for Families**

The SDHC must provide sufficient information for an informed choice and must include at least the following written information:

1. SDHC policies on switching type of rent in circumstances of financial hardship, and
2. The dollar amounts of tenant rent under each option.
3. Inform the family they have 14 days to return signed document stating their choice of paying flat rent or the income based calculated rent.

If the family chose a flat rent for the previous year, the SDHC is required to provide the amount of income-based rent for the subsequent year only, the year the SDHC conducts an income reexamination, or if the family specifically requests it and submits updated income information.

**N. METHODOLOGY USED TO DETERMINE FLAT RENTS**

To establish flat rents, SDHC used the San Diego County Apartment Associations' (SDCAA's) most recent market rental survey, and for those areas where the SDCAA does not survey, the Section 8 database of market rate rental comparables was used. Flat rent is based on the market rent charged for comparable units in the private unassisted rental market.

The SDHC does not pay any utility reimbursement when flat rent is selected.

**Flat Rent Table**

A table of flat rents by public housing site and bedroom size has been established.

Annually, SDHC will review the current rent structure of all public housing by bedroom size compared to available market rate rentals and adjust flat rents if there is a variance of 10% or more.

The Flat Rent Table is available for review at the Housing Commission's Area Offices:

- Belden Office  
7777 Belden Street  
San Diego, CA 92111
- Calle Primera Office  
178 Calle Primera #A  
San Ysidro, CA 92173

## Chapter 7

### VERIFICATION PROCEDURES

[24 CFR 5.617, 24 CFR 960.206]

#### **INTRODUCTION**

The SDHC's verification procedures are designed to meet HUD's requirements and to maintain program integrity. This Chapter explains the SDHC's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. The SDHC will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

#### **A. METHODS OF VERIFICATION AND TIME ALLOWED**

The SDHC will verify information through the five methods of verification acceptable to HUD in the following order from the most reliable to the least reliable:

1. Enterprise Income Verification (EIV) System
2. Third-party written verification
3. Third-party oral verification
4. Review of documents
5. Certification/self-declaration

Documents used for verification purposes should be as current as possible (e.g., dated within 60 days of the family interview).

#### **Enterprise Income Verification (EIV) System**

The purpose of HUD's EIV System is to make integrated income data available from one source, via the Internet, for PHAs to use to improve income verification during required income reexaminations. EIV provides the following information:

1. Monthly employer new hires
2. Quarterly wages (including employer information), Federal wages are available
3. Quarterly unemployment compensation
4. Monthly social security (SS) and supplement security income (SSI) benefits

Enterprise Income Verification replaces, to a large extent, the more consuming and less accurate third-party verification process of contacting individual employers identified by the family, or reviewing outdated income verification documents. However, third-party verification may continue to be necessary to complement upfront income verification, for example, when the tenant disputes the data.

### **Use of Third-Party Verification to Supplement Upfront Income Verification**

Although upfront income verification replaces the third-party verification process, third-party may continue to be necessary to complement upfront income verification. Upfront income verification should not be considered an automatic substitute for other third-party verification. Rather, upfront income verification may supplement other verification documentation, such as original, current tenant-provided documents.

#### **Third-Party Written Verification**

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first-class mail. The family will be required to sign an authorization allowing the information source to release the specified information. Two sources of third-party verifications will be attempted through upfront income verification via California's Employment Development Department (EDD) and third-party directly to the source prior to relying on another source.

Verifications received electronically directly from the source are considered third-party written verifications.

Third-party verifications forms, including computerized printouts, will not be hand-carried by the family under any circumstances. SDHC will send requests for third-party written verification to the source at all times regardless of whether the family provides a computerized printout.

The SDHC will allow two weeks for return of third-party verifications. If third-party is not used, SDHC will document the reasons in the file.

For applicants and families who are moving, verifications may not be more than 90 days old from the lease-up date. For participants, they are valid if dated or effective 90 days in advance of the annual recertification or interim certification. Verifications may be extended for an additional 30 days with a telephone update.

#### **Third-Party Oral Verification**

Oral third-party verification will be used when written third-party verification is delayed or impossible. When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third-party verification is provided by telephone, SDHC must originate the call. If third-party verification is not available, SDHC will compare the specified information to any documents provided by the family.

#### **Review of Documents**

In the event that third-party written or oral verification is unavailable or information has not been

verified by a third party within two weeks, SDHC will annotate the file accordingly and utilize documents provided by the family as the primary source if the documents contain complete information. For applicants and families who are moving, documents may not be more than 60 days old from the lease-up date. For participants, they are valid if dated or effective 180 days in advance of the annual recertification or interim certification.

### **Exception for Averaging**

For the purpose of averaging annual income or income from assets, only one of the documents used for averaging is required to be within 60 days at the time of lease-up and not more than 180 days from the effective date of the annual reexamination or interim certification effective date.

All such documents, excluding government checks, will be photocopied and retained in the family file. When documents cannot be photocopied, staff viewing the documents will complete a Certification of Document Viewed or Person Contacted form.

SDHC will accept the following documents from families providing that tampering can be easily noted:

- Printed wage stubs
- Computer printouts from employers
- Signed letters (provided that the information is confirmed by phone)
- IRS Tax Returns
- Other documents identified by SDHC as acceptable verification.

If the third party verification is received after documents have been accepted as provisional verification and there is a gross per month discrepancy of \$200 or higher, SDHC will follow the guidelines below:

- If the third party income data is less than **current** tenant-provided documentation, SDHC will use tenant-provided documents to calculate anticipated annual income.
- If third party income data is more than **current** tenant-provided documentation, SDHC will use third income data to calculate anticipated annual income **unless** the tenant provides SDHC with documentation of a change in circumstances (i.e. change in employment, reduction in hours, etc.). Upon receipt of acceptable tenant-provided documentation of a change in circumstances, SDHC will use tenant-provided documents to calculate anticipated annual income.

SDHC will allow up to ten days for families to provide documents when third-party verification is impossible to obtain.

SDHC will not delay the processing of an application beyond two weeks because third-party verification is impossible to obtain.

### **Self-Certification/Self-Declaration**

When information cannot be verified by a third party or by review of documents, families will be required to submit a self-certification.

Self-certification means a statement signed under penalty of perjury in the presence of a witness.

SDHC will allow up to ten days for a family to provide a self-certification or self-declaration if other forms of verification are impossible to obtain.

### **B. RELEASE OF INFORMATION**

Adult family members will be required to sign the HUD-9886 Release of Information/Privacy Act form.

Adult family members will be required to sign an authorization form which allows verification of any information that is not covered by the HUD Form 9886, Authorization for Release of Information/Privacy Act Notice.

Each family member requested to consent to the release of specific information may be provided with a copy of the appropriate forms for their review and signature, if requested.

It is a family obligation to supply any information and sign consent forms requested by the SDHC or HUD. Family refusal to cooperate will result in denial of admission or termination of assistance.

### **C. ITEMS TO BE VERIFIED**

The following items will be verified annually:

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in the preceding two years.

Child care expense when it allows an adult family member to be employed, to further his/her education, or seek employment.

A total medical expense of all family members in households whose head, spouse, or co-head is elderly or disabled.

Disability assistance expenses which allow an adult family member to be employed include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family.

Familial or marital status when needed for head or spouse definition.

The following items will be verified annually, every five years or one time only, based on the medical professional's certification of how long the condition will continue:

Disability for determination of preferences, allowances or deductions.  
The need for a live-in aide.

In addition to the above, the following items will be verified at Eligibility and when adding household members, including live-in aides:

Preference status (at Eligibility only).

Picture Identification for all adults (age 18 or older) including live-in aides.

U.S. citizenship/eligible immigrant status.

Social Security Numbers for all family members over six years of age or older who have been issued a social security number.

History of criminal activity, illegal drug activity and alcohol abuse.

#### **D. VERIFYING NON-FINANCIAL FACTORS**

##### **Verification of Citizenship/Eligible Immigrant Status**

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the SDHC hearing is pending.

- (a) **Citizens or Nationals of the United States** are required to sign a declaration under penalty of perjury. The SDHC may require citizens to provide documentation of U.S. citizenship. Acceptable documentation may include:

U.S. birth certificate  
U.S. passport  
Social Security card  
Other documentation as determined by the SDHC

- (b) **Eligible Immigrants who were tenants and 62 or over on June 19, 1995**, are required to sign a declaration of eligible immigration status form

and provide proof of age.

- (c) **Non-citizen with eligible immigration status** must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The SDHC verifies the status through the INS SAVE system. If this primary verification fails to verify status, the SDHC must request within ten days that the INS conduct a manual search.
- (d) Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending family members signed by the head of household, spouse or co-head.
- (e) **Non-citizen students on student visas** are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

**Failure to Provide.** If an applicant or resident family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

**Time of Verification.** For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated.

**Extensions of Time to Provide Documents.** The SDHC will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

**Acceptable Documents of Eligible Immigration.** The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept 5 years.

### **Verification of Social Security Numbers**

Social security numbers must be provided as a condition of eligibility for all family members' ages six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- A valid driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by Medicare and Medicaid
- An identification card issued by an employer or trade union
- Earnings statements or payroll stubs
- Bank Statements
- IRS Form 1099
- Benefit award letters from government agencies
- Retirement benefit letter
- Life insurance policies
- Court records (real estate, tax notices, marriage, divorce, judgment or bankruptcy records)
- Verification of benefits or SSN from Social Security Administration

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the SDHC.

If an applicant or resident is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or resident must sign a certification to that effect provided by the SDHC. The applicant/resident or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, the SDHC may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

### **E. VERIFICATION OF SUITABILITY FOR ADMISSION**

Sources to be used to determine suitability include but are not limited to:

Criminal History Reports  
Prior landlord references  
Physicians, social workers, and other health professionals  
SDHC and Other PHAs (to whom the family may owe debt)

(See Chapter 2. Eligibility)

**Ability to meet financial obligations under the lease**

All applicants will be subject to the following procedures to ensure their ability to meet financial obligations under the lease:

All applicants will be interviewed and asked questions about the basic elements of tenancy.

The SDHC will access a Credit Report on all applicants prior to selection.

The SDHC will determine if applicants owe any monies from previous tenancy or participation in any HUD housing program.

The SDHC will independently verify the rent-paying history of all applicants for the previous and current landlord(s).

**Housekeeping**

The SDHC will obtain references from current and prior landlords to determine acceptable housekeeping standards.

The SDHC will conduct a home visit prior to admission if any negative information is obtained.

**Local Preferences**

All preferences must be verified.

**Live in or Work in the City of San Diego**

Copy of Lease Agreement and three most recent rent receipts, canceled checks or money order receipts.

A California driver's license or California ID in conjunction with copies of recent bills sent to the address.

Copy of paycheck stubs that indicate the location of the place of employment or third party verification that indicates the place of employment.

**Homeless**

An applicant is considered homeless if the applicant lacks a fixed, regular and adequate night-time residence and can provide verification that their nighttime residence is:

- a) A supervised publicly or privately operated shelter designed to provide temporary living accommodations; or
- b) An institution that provides temporary residence for individuals intended to be institutionalized (not incarcerated); or
- c) A public or private place not designed for, or ordinarily used as, a regular place for human beings.

Homeless applicants who meet the criteria described above must provide certification of homeless status from a public or private facility that provides shelter for such households, or from the local police department, or any social service agency that provides services for homeless people.

Applicants who are homeless due to residing in a transitional housing program must provide a letter from the transitional program's sponsoring agency documenting the applicant's participation and readiness to maintain an independent tenancy.

**Veteran**

DD214 discharge document.

Letter from Veteran's Administration verifying the branch of service, date and place of discharge and type of discharge.

**Family of a Veteran**

One of the above forms of verification must be provided for the veteran and familial status verified as follows:

Marriage certificate or license.

If veteran is deceased and the spouse has not remarried, a copy of the marriage certificate/license and a copy of the veteran's death certificate.

**Active Military**

Current military paycheck stub or current military ID.

**F. Drug or Violent Criminal History, Registered Sex Offender and Alcohol Abuse**

The SDHC will perform a criminal history check on every adult (18 years or older)

household member and live in aide, utilizing the California Law Enforcement Telecommunications System (CLETS), through the San Diego Police Department and any other applicable comprehensive method of verification.

**G. CONFIDENTIALITY OF CRIMINAL/MEDICAL RECORDS**

The SDHC will ensure that any criminal/medical record received is maintained confidentially, not misused or improperly disseminated, and destroyed not more than 30 days after the SDHC's final decision, including background checks that show no criminal history. A decision on the individual's eligibility is not final until the period of time for all possible appeals have elapsed. SDHC will document that it has received verification (including when and by whom) of a disability and/or a criminal history check.

**H. DEFINITION OF INCOME**

[24 CFR 5.609]

Income is defined as all monetary amounts received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income that is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or annual reexamination. Gross income is the amount of income before any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether applicants are within the applicable income limits.

**Income of Person Confined to a Nursing Home**

If a family member is permanently confined to a hospital or nursing home and there is a remaining household member(s), the SDHC will remove the member and exclude the income of the person permanently confined to the nursing home and not allow deductions for medical expenses of the confined family member.

**Regular Contributions and Gifts**

A regular gift or contribution is counted when there is an agreement between the parties, oral or written, that the gift or contribution will be received on a regular basis.

**Alimony and Child Support**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the SDHC will use the amount awarded by the court unless the family can verify they are not

receiving the full amount and verification of item(s) below are provided.

The SDHC will accept as verification that the family is receiving an amount less than the award if:

The SDHC receives verification from the agency responsible for enforcement or collection; or

The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

### **Employer Mileage Reimbursement**

Employment reimbursement for mileage expenses for use of personal vehicle will not be counted as income.

### **Employer Paid Medical Benefits**

Medical benefits paid by the employer will not be counted as income.

## **I. VERIFICATION OF INCOME**

[24 CFR 982.516]

This following defines the methods SDHC will use to verify various types of income.

### **HUD Guidelines for Projecting Annual Income When UIV Data is Available**

The following “safe harbor” guidelines disseminated by HUD at the January 2004 RHIIP Summit are provided to assist PHAs in consistently and uniformly resolving income discrepancies.

### **UIV Income Data is not Substantially Different than Tenant-Provided Income Information**

UIV may alleviate the need for third party verifications when there is not a substantial difference (less than \$200 gross per month) between UIV and tenant-reported income.

In cases where UIV income data is **not** substantially different than tenant-reported income, SDHC will follow the guidelines below:

- If UIV income data is less than **current** tenant-provided documentation, SDHC will use tenant-provided documents to calculate anticipated annual income.

- If UIV income data is more than **current** tenant-provided documentation, SDHC will use UIV income data to calculate anticipated annual income **unless** the tenant provides the SDHC with documentation of a change in circumstances (i.e. change in employment, reduction in hours, etc.). Upon receipt of acceptable tenant-provided documentation of a change in circumstances, SDHC will use tenant-provided documents to calculate anticipated annual income.

### **UIV Income Data is Substantially Different than Tenant-Provided Income Verification**

In cases where UIV income data is substantially different (\$200 or more per month gross income) than tenant-reported income, SDHC shall follow the guidelines below:

- SDHC will request written third party verification from the discrepant income source, in accordance with 24 CFR 5.236(3)(i).
- SDHC will review historical income data for patterns of employment, paid benefits, and/or receipt of other income, when SDHC can not readily anticipate income, such as in cases of seasonal employment, unstable working hours, and suspected fraud.
- SDHC must analyze all data (UIV data, third party verification and other documents/information provided by the family) and attempt to resolve the income discrepancy
- SDHC will use the most current verified income data (and historical income data if appropriate) to calculate anticipated annual income.

### **Employment Income**

Verification forms may request the employer specify the:

Dates of employment  
Amount and frequency of earnings  
Date of last pay increase  
Earning history  
Year to date earnings  
Expected Change in employment status  
Effective date of any anticipated wage increase during the next twelve months  
Anticipated unpaid time off.

Acceptable methods of verification include, in this order:

1. Upfront income verification when there is not a substantial difference (less than \$200 gross per month) between UIV and tenant-reported income.
2. Employment verification form completed by the employer.
3. Oral third-party verification.

4. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
5. W-2 forms plus income tax return forms.

Self-certifications or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities. For some self-employment types, where there is the potential for substantial income, self-certification is unacceptable.

In cases where there are questions about the information provided by the family, the SDHC may require federal income tax statements and returns.

### **Social Security, Pensions, Supplemental Security Income, Disability Income**

Acceptable methods of verification include:

1. Upfront verification and TASS for Social Security and Supplemental Security Income in conjunction with oral third-party or award letter or print-out.
2. Benefit verification form completed by the agency providing the benefits.
3. Third-party oral verification.
4. Computer report electronically obtained or in hard copy or annual award, benefit notification or cost of living adjustment letters.
5. Bank statement with maximum SSI benefit amount or the combination of SSI and SSA. (*Note: SSA only must be verified through another method to determine Medicare amount.*)

### **Unemployment Compensation**

Acceptable methods of verification include, in this order:

1. Upfront verification through EDD.
2. Verification form completed by the unemployment compensation agency or unemployment report that is e-mailed, faxed, or mailed directly from EDD.
3. Third-party oral verification.
4. Agency award letter.
5. Payment stubs.

**Welfare Payments or General Assistance**

Acceptable methods of verification include, in this order:

1. Upfront income verification.
2. SDHC verification form completed by payment provider or computer printout accessed on-line by the SDHC.
3. Third-party oral verification.
4. Written statement from payment provider or computer-generated Notice of Action.

**Alimony or Child Support Payments**

Acceptable methods of verification include, in this order:

1. Upfront income verification.
2. Verification from completed by the Department of Revenue and Recovery.
3. Third-party oral verification.
4. Copy of a separation or settlement agreement or a divorce decree stating amounts and types of support and payment schedules.
5. A notarized letter from the person paying the support.
6. Copy of latest check and/or payment stubs from Court Trustee.
7. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide:

A statement from the agency responsible for enforcing payments stating the family has filed for enforcement; and

An affidavit from the family indicating the amount(s) received; or

A welfare notice of action showing amounts received by the welfare agency for child support.

**Net Income from a Business**

In order to verify the net income from a business, the SDHC will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

- Schedule C (Small Business)
- Schedule E (Rental Property Income)
- Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense computed using straight-line depreciation rules.

2. Audited or un-audited financial statement(s) of the business.
3. Credit report or loan application.
4. Documents such as manifests, daily logs, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification as to net income realized from the business during previous years.
6. In cases of large gross income yet minimal net income to applicant or participant, additional documentation may be required, for example documentation of wages and payroll taxes, receipts for expenses, etc.

Income from self-employment can be positive or zero. Self-employment losses cannot reduce other income to the household.

**Child Care Business**

If an applicant/participant is operating a licensed day care business, income will be verified just as any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the SDHC will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid,

and signature of person.

If the family has filed a tax return, the family will be required to provide it.

Operation of a small family day care home requires verification of the following:

- Maintaining in force either liability insurance covering injury to clients and guests in the amount of at least (\$100,000) per occurrence and (\$300,000) in the total annual aggregate; or
- A bond in the aggregate amount of (\$300,000); or
- In lieu of the liability insurance or the bond, the small family day care home may maintain a file of affidavits signed by each parent with a child enrolled in the home; and
- The small family day care home shall contain a fire extinguisher and smoke detector device.

### **Recurring Gifts**

The applicant/participant family must furnish a self-certification, which contains the following information:

- The person who provides the gifts; and
- The value of the gifts; and
- The regularity (dates) of the gifts; and
- The purpose of the gifts.

### **Zero Income Status**

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, Cal works, SSI, etc. are not being received by the household.

The SDHC will request information from the State Employment Development Department.

The SDHC will run a credit report if information is received that indicates the family has an unreported income source.

The family may be required to complete Monthly Budget forms and a certification statement.

### **Full-time Student Status**

Only the first \$480 of the earned income of full-time students, other than head, spouse, or co-head, will be counted towards family income.

Financial aid, scholarships and grants received by full time students are not counted towards family

Verification of full time student status includes:

1. Written verification from the registrar's office or other school official.
2. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

## **J. VERIFICATION OF ASSETS**

### **Family Assets**

SDHC will require the information necessary to determine the current cash value of the family's assets, if the total value of those assets exceeds \$1,000. "Cash value" is the net amount the family would receive if the assets were converted to cash. Assets totaling \$1,000 or less will not be verified because of the negligible impact.

SDHC will utilize the current balance for savings accounts and will determine the average six-month balance for checking accounts. SDHC will require the information necessary to determine the current cash value of a family's assets (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

- Verification forms, letters, or documents provided directly by a financial institution or broker
- Passbooks, checking account statements (3 – 6 bank statements), certificates of deposit, bonds, or financial statements supplied by a family if completed by a financial institution or broker
- Estimates by a stockbroker or real estate agent of the net amount a family would receive if it liquidated securities or real estate.
- Real estate tax statements if the approximate current market value can be deduced from them
- Financial statements for business assets
- Copies of closing documents showing selling price and distribution of sales proceeds
- Appraisals of personal property held as an investment
- A family's self-certification describing assets or cash held at the family's home or in safe-deposit boxes.

### **Assets Disposed of for Less Than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification**

At admissions and reexaminations, SDHC will obtain each family's certification that it has or has not disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that it has disposed of assets for less than fair market value, the

certification must show: (a) all assets disposed of for less than fair market value, (b) the date they were disposed of, (c) the amount the family received for each asset, and (d) the market value of each asset at the time of disposition. Third-party verification will be obtained whenever possible in conjunction with review of documents. Specific assets totaling \$1,000 or less will not be verified because of the negligible impact.

### **Income from Assets**

#### **Savings or Checking Account Interest and Dividend Income**

Acceptable methods of verification include, in this order:

1. SDHC verification forms filled out or other statements supplied by the financial institution or, if these are not available, account statements (3 -6 statements for checking accounts), passbooks, or certificate of deposit statements supplied by the family
2. Broker statements showing the value of stocks or bonds and the earnings credited to the family (Earnings can also be obtained from current newspaper quotations or orally from brokers.)
3. IRS Form 1099 from a financial institution provided that the SDHC adjusts the information to project earnings expected for the next 12 months.

#### **Interest Income from Mortgages and Similar Arrangements**

Acceptable methods of verification include, in this order:

1. A letter received directly from an accountant, attorney, real estate broker, the buyer, or a financial institution stating the interest due for the next 12 months (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. An amortization schedule showing interest for the 12 months following the effective date of certification or recertification.

#### **Net Rental Income from Property Owned by Family**

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income)
2. Copies of latest rent receipts, leases, or other documentation of rent amounts
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense
4. Lessee's written statement verifying rent payments to the family and the family's self-certification of net income realized.

**K. ALLOWANCES AND DEDUCTIONS**

Adjusted Income is defined as the Annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

1. Dependent Allowance: \$480 each for family members (other than the head, spouse, co-head, foster child, foster adult or live-in aide) who are minors, and for family members who are 18 or older and who are full-time students or who are disabled.
2. Elderly/Disabled Allowance: \$400 per family for families whose head, spouse or co-head is 62 years of age or older or disabled.
3. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.
4. Child Care Expenses: Deducted for the care of children under 13 when childcare is necessary to allow an adult member to work, attend school or actively seek employment.
5. Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for a persons with a disability if needed to enable the individual or an adult family member to work.

**L. CHILD CARE EXPENSES**

[24 CFR 5.603]

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work, attend school full time, or actively seek employment.

In the case of a child attending private school, only after-hours care can be counted as child care expenses.

Deductions for child care expenses are based on the following guidelines:

Child care to work: The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

Child care for seeking employment: The number of hours claimed for child care may not exceed 20 hours per week.

**Verification of Child Care Expenses**

Written verification from the person who receives the payments is required.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

**M. MEDICAL EXPENSES**

[24 CFR 5.609(a)(2), 5.603]

Anticipated medical expenses will be calculated by using one of the two following methods, (whichever is more beneficial to the family);

- |                          |   |
|--------------------------|---|
| Current Circumstances:   | Use the family's current medical bills, accumulated over the last twelve months, as anticipated medical expenses. |
| Estimated Circumstances: | Estimate the cost of medical bills based on current or anticipated medical bills that will be on-going expenses.  |

Allowable medical expenses include:

- Services of doctors and health care professionals
- Services of health care facilities
- Medical insurance premiums
- Prescription medicines
- Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts when prescribed by a physician.
- Transportation to treatment (cab fare, bus fare, mileage)
- Dental expenses, eyeglasses, hearing aids, batteries
- Live-in or periodic medical assistance
- Acupressure, acupuncture, and chiropractic services will be considered allowable medical expenses.
- Non-traditional treatments, vitamins and herbal supplements will be considered medical expenses if prescribed by a doctor.

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

Receipts or other record of medical expenses paid by the family during the previous year

(appointment date to appointment date, or in the case of mail-in annual reexaminations, due date to due date) can be used to anticipate future medical expenses. If an applicant/participant will become entitled to a deduction, medical expenses will be anticipated based on verifications provided.

The SDHC will not duplicate a medical expense that was already allowed during the prior year.

**Verification of Medical Expenses**

Families may only claim medical expenses that have not been and will not be reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. The SDHC may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not as reimbursement for one-time expenses from the previous year.

The SDHC will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

For attendant care:

A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes; and

Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled

checks the family used to make those payments) or stubs from the agency providing the services.

**Assistance to a Person with a Disability**

1. In All Cases:
  - (a) Written certification from a licensed third-party professional or certified social service agency that the person with a disability requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function independently to enable another family member to be employed.
  - (b) Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.
2. Attendant Care:
  - (a) Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
  - (b) Certification of family and attendant and/or copies of canceled checks family used to make payments.
3. Auxiliary Apparatus:
  - (a) Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
  - (b) In the case where the person with a disability is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

**Verification of Reasonable Accommodation to Accommodate a Person with a Disability**

Acceptable verification of reasonable accommodation to accommodate a person with a disability include, in this order:

1. SDHC verification form completed by a State of California licensed doctor, or other licensed medical professional, such as a nurse, psychiatrist, psychologist, or a social service professional.
2. A letter from a State of California licensed doctor, or other licensed medical professional, such as a nurse, psychiatrist, psychologist, or a social service professional that provides the following information:

- Whether or not the nature of the patient's disability requires an accommodation in order to make the program equally accessible
- If yes, how long the need will last
- What accommodation is being requested by the family and recommended by the Health Provider
- An explanation of how this accommodation to the patient's disability is reasonably necessary to make the program accessible
- If the accommodation cannot be provided, a list of all alternatives that would serve to make the Public Housing program accessible to the family.

The SDHC's decision with supporting documentation will be maintained in the applicant / participant's file.

**CHAPTER 8  
TRANSFER POLICY**

**INTRODUCTION**

The transferring of families is a very costly procedure, both to the SDHC and to the families. However, it is the policy of the SDHC to permit a resident to transfer within or between housing developments when it is necessary to comply with occupancy standards; or when it will help accomplish the Affirmative Housing goals of the SDHC; or when there is an administrative need.

**A. GENERAL STATEMENT**

A family may be eligible to transfer for valid and certifiable reasons such as enabling the family to be no more than 25 miles from the following:

A place of employment; or

Child care provider who will care for children of a working single, head of household; or

A required medical treatment center; or.

Closer to a continuing or advanced education facility attended by Head of Household; or

To move from an upstairs to a downstairs units for medical or accessibility reasons.

The SDHC will always consider a request to transfer as a reasonable accommodation for a person with a disability.

The SDHC will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

Except in emergency situations, transfers will be avoided when the family is:

Delinquent in its rent; or

About to be asked to move for reasons other than non-payment of rent: or

Not in good standing with the SDHC due to rental history or a history of disturbances.

**B. RANK ORDER OF TRANSFER LIST**

The Transfer Waiting list will be maintained by approved date in rank order by:

1. Emergency
2. Medical hardship
3. Unit too large or small (mandatory)
4. All other reasons (voluntary)

**GUIDELINES FOR DETERMINING BEDROOM SIZE**

| Bedroom Size | Persons in Household:<br>(Minimum #) | Persons in Household:<br>(Maximum #) |
|--------------|--------------------------------------|--------------------------------------|
| 1 Bedroom    | 1                                    | 2                                    |
| 2 Bedrooms   | 2                                    | 4                                    |
| 3 Bedrooms   | 3                                    | 6                                    |
| 4 Bedrooms   | 4                                    | 8                                    |
| 5 Bedrooms   | 6                                    | 10                                   |

**C. MANDATORY TRANSFERS**

If there is a required change in the size of unit needed, it will be necessary for the resident to move to a unit of an appropriate size and a new lease will be executed.

If an appropriate unit is not available, the resident will be placed on a transfer list and moved to such unit when it does become available.

If a family that is required to move refuses the offered unit, the SDHC will evaluate the reason for the refusal and determine if it is one of good cause. If the SDHC determines that there is no good cause, the SDHC will begin lease termination proceedings.

The SDHC will offer the family an opportunity for an informal conference before terminating the family’s lease. The family will have 7 days from the issue date of the Notice to Terminate to request an informal conference.

The SDHC may consider the living area for occupancy standards so that the family may avoid losing their assistance; maximum household size not to exceed more than 1 person beyond occupancy standard.

The SDHC will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

**D. NON-MANDATORY TRANSFERS**

**A transfer will be given priority over a waiting list referral.**

If the family has good cause for refusing the unit, the SDHC will not count that unit as an offer and will allow the family to remain on the transfer list until another unit is offered.

Good cause is defined as same reason for approving transfer listed in Chapter 4, Paragraph O..

The inconvenience or undesirability of changing schools for any minor child will not be considered good cause.

Refusal of a unit without good cause will require the family to be removed from the transfer list and the family must wait 6 months to re-apply.

**E. EMERGENCY TRANSFERS**

The SDHC will authorize an emergency transfer for a participant family if one of the following conditions occurs:

The resident's unit has been damaged by fire, flood or other causes(s) to such a degree that the unit is not habitable, provided that, although the damage was a result of carelessness or negligence of the resident or a member of the resident's household, the resident has, in writing, accepted the responsibility for such damage and has agreed to make restitution to the SDHC for the expense of repairing such damage up to a ceiling cost of \$5000; or insurance deductible, whichever is less.

**F. SPECIAL CIRCUMSTANCE TRANSFERS**

The SDHC will authorize transfers under special circumstances for a participant family if one of the following conditions occurs:

The resident's unit is being modernized or significantly remodeled. In such cases the family may be offered temporary relocation and may be allowed to return to their unit once rehabilitation is complete or may be required to move permanently to another unit.

The SDHC has a need, at the discretion of the Program Manager or designee to transfer the resident family to another unit.

**G. TRANSFER REQUIREMENTS**

The Resident will be required to vacate the previous unit within three (3) days. The Resident will be responsible for calculated rent for both units during the transfer. The Resident will be allowed a maximum of three (3) days to complete the transfer and vacate and turn in keys for the move-out unit. Any days beyond this maximum will be charged to the Resident at the flat rent rate for the move-out unit. This amount will be calculated and included in the Final Statement.

**H. MOVING COSTS**

The resident will pay all moving costs related to the transfer, except when the transfer is due to inhabitability, through no fault of the resident, or the need of the SDHC.

**I. SECURITY DEPOSITS**

If a new deposit will create a financial hardship for the family the SDHC will enter into a payment agreement with the family. Any unused portion of the deposit from the family's current unit will be applied to the balance on the new security deposit and the family will be required to fulfill the remaining portion of the payment agreement until the security deposit on the new unit has been paid in full.

The SDHC will require a new security deposit of all families regardless of whether it is a required move or it is the family's choice.

The resident will be billed for any charges that occur as a result of the resident moving out of the apartment.

**Chapter 9**

**LEASING**  
[24 CFR 966.4]

**INTRODUCTION**

It is the SDHC's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations [24 CFR Part 966]. This Chapter describes pre-leasing activities and the SDHC's policies pertaining to lease execution, security deposits, other charges, and additions to the lease.

**A. LEASE ORIENTATION**

The family must attend an orientation within 60 calendar days after execution of the lease.

**B. EXECUTION OF LEASE**

The lease shall be executed by the head of household, spouse, all adult members of the household, and by an authorized representative of the SDHC, prior to admission.

The SDHC may modify its form of lease from time to time, giving tenants an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A resident's refusal to accept permissible and reasonable lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

**C. ADDITIONS TO THE LEASE**

Requests for the addition of a new member of the household must be approved by the SDHC, prior to the actual move-in by the proposed new member.

Following receipt of a family's request for approval, the SDHC will conduct a Tenant Selection and Suitability screening of any adult, including a criminal history check. Only persons approved by the SDHC will be added to the lease.

A family on the mandatory transfer list who request an addition to the household must be considered on the basis of the unit size for which they were eligible, prior to the addition of another household member.

**CHANGES TO FAMILY COMPOSITION**

1. Residents may request the following additions to the family:

- A spouse.
- Any adult, when the addition does not cause a change in unit size.
- Any adult member of the family who becomes medically or financially dependent upon the head of household or spouse, regardless of change in bedroom size.
- A live-in attendant required by physician or paid for full-time services by In Home Support Services Agencies, regardless of change in bedroom size. (*Live-in aide is not a tenant; not on the lease*)
- A minor child of the head of household or spouse, either biological or by operation of law, or who is included in the family's Aid to Families with Dependent Children grant, or for whom the head of household or spouse has a notarized statement and third party verification of income from the biological parent, caretaker or custodian indicating that the child will be staying with the family, regardless of the change in bedroom size.
- Temporary Foster children/adults may be added with verifiable/confirmed custody.
- No increase in bedroom size allowed due to addition of Foster children.

2. Other Additions:

- A unit is occupied by a remaining family member(s) under age 18 (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household.

3. Unauthorized changes to Family Composition:

- Visitors who remain beyond 14 days without consent of the SDHC shall be considered unauthorized member of household, and their presence constitutes a breach of the lease.
- If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.
- Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.
- Residents are not permitted to allow a former tenant of the SDHC who has been evicted to occupy the unit for any period of time.

**D. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES**

[24 CFR 8.27(a)(1)(2) and (b)]

Before offering a vacant accessible unit to a non-disabled applicant, the SDHC will offer such units:

- First, to a current occupant of another unit who has a disability that requires the special features of the vacant unit.
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

The SDHC will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

**E. UTILITY SERVICES**

Tenants responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a lease violation and grounds for eviction.

**F. SECURITY DEPOSITS**

**Security Deposit**

New tenants must pay a security deposit to the SDHC at the time of admission.

The amount of the security deposit required is specified in the lease. It will be the same amount as rent, but no less than \$100 one hundred dollars.

The SDHC may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of the SDHC. However, no less than one-half of the required deposit must be paid before occupancy.

The remainder of the deposit must be paid within 60 days.

The SDHC will hold the security deposit for the period the tenant occupies the unit.

The SDHC will refund to the Tenant the amount of the security deposit, less any amount needed to pay the cost of:

- Unpaid Rent;
- Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;

- Other charges under the Lease.

The SDHC will not use the security deposit for payment of rent or other charges while the tenant is living in the unit.

If the tenant transfers to another unit, the SDHC will refund the security deposit, less damages, and collect a new deposit, using the current information regarding Total Tenant Payment.

### **Pet Deposit**

(See Chapter 10: Pet Deposit policy.)

## **G. RENT PAYMENTS**

The tenant rent is due and payable at the SDHC-designated location on the 1st day of every month. If the First falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

## **H. FEES AND NONPAYMENT PENALTIES**

If the tenant fails to make payment by the close of business on the 5th day of the month, and the SDHC has not agreed to accept payment at a later date, a Notice to Pay Rent or Quit will be issued to the tenant with a 14 day notice period for failure to pay rent, demanding payment in full or the surrender of the premises. A 3-Day Notice to Pay or Quit (required by State Law) will be served subsequent to this notice if not paid. Failure to pay within 3 days will result in filing of Unlawful Detainer.

If the tenant fails to make payment by the 5th day of the month, a late fee of \$25 will be charged.

A charge of \$25 will be assessed against the tenant for checks that are returned for non-sufficient funds (NSF), or checks written on a closed account.

The SDHC will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.

SDHC will apply all payments received first to the latest outstanding balance and then to the current rental or other obligations.

## **I. SCHEDULES OF MAINTENANCE CHARGES**

Schedules of special charges for services, repairs, utilities and rules and regulations, which are required to be incorporated into the lease by reference, shall be publicly posted in a conspicuous manner in the area office, and they will be provided to applicants and tenants at lease-up, orientation and upon request.

Miscellaneous Charges

- File copy (Standard Agency charge for photocopies)
- Gate remote control

**J. MODIFICATIONS TO THE LEASE**

Schedules of maintenance charges and rules and regulations are subject to modification or revision. Tenants will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the area offices, and mailed by first class mail to the tenant.

Any modifications of the lease must be accomplished by a written addendum to the lease and signed by both parties.

**K. CANCELLATION OF THE LEASE**

Cancellation of the tenant's lease is to be in accordance with the provisions contained in the lease agreement and as stated in this policy.

**L. INSPECTIONS OF PUBLIC HOUSING UNITS**

**Initial Inspections**

The SDHC and the family will inspect the premises prior to occupancy of the unit in order to document the condition of the unit and equipment in the unit. A copy of the initial inspection, will be given to the resident and a copy will be kept in the tenant file. Any subsequent repair charges for items that are not due to normal wear and tear or malfunction will be billed to the resident.

**Pre Move-Out Inspection**

The SDHC will notify the resident, as required by State law, of their right to a pre move-out inspection of the unit. The resident has the option of waiving this requirement or having the pre move-out inspection performed.

**Move-Out Inspections**

The SDHC will conduct a move-out inspection when the family vacates the unit, and will encourage the family to be present.

The purpose of this inspection is to determine necessary maintenance and whether there

are damages that exceed normal wear and tear. The SDHC will determine if there are tenant caused damages to the unit. Tenant caused damages will result in charges against the security deposit and may result in collection attempts if charges exceed this security deposit.

The move-out inspection also assists the SDHC in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

### **Annual Inspections**

The SDHC will inspect all units annually using HUD's Uniform Physical Condition Standard as a guideline.

- a. Residents who "fail" the inspection due to housekeeping or tenant-caused damages will be given a minimum of 2 weeks to correct noted items. Another inspection will be conducted.
- b. Residents will be provided a copy of the inspection report with deficiencies documented or corrections noted.
- c. Inspection report will indicate whether required corrections are to be charged to the resident or covered by the SDHC.
- d. Required corrections will be repaired by the SDHC.
- e. Resident will be notified at least 2 days before the date of the required repairs, or permission to enter authorized by the resident.
- f. Damages beyond "normal wear and tear" will be billed to the tenant.
- g. Residents who are in violation of their lease due to a repeated failed inspection will be scheduled for a lease violation conference, and may receive a Notice of Intent to Terminate Lease.
- h. Lease Violation Conference will be held with residents who purposely and for convenience disengage the unit's smoke detector.

### **Quality Control Inspections**

Supervisors or designated staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which the SDHC can be of service to the family.

### **Special Inspections**

A special inspection for housekeeping, unit condition, or suspected lease violation may

be conducted.

HUD representatives or local government officials may review SDHC operations periodically and as a part of their monitoring may inspect a sampling of the SDHC's inventory.

The SDHC supervisor or designee will periodically conduct drive by and/or walk-through inspections to determine whether there may be lease violations, adverse conditions or local code violations.

Building exterior and grounds inspections are conducted at all Public Housing properties to determine hazardous conditions as well as to assist in budget preparation.

### **Emergency Inspections**

An emergency inspection will be conducted (without notice) whenever it is believed that an emergency exists in the unit or on a Public Housing site. Emergency repairs are to be completed within 24 hours from the time the work is determined necessary.

### **Emergency Repairs to be Completed in Less than 24 Hours**

- Lock-out (with proper identification of resident)
- Broken lock that affects unit security
- Broken window glass that affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Escaping gas
- Plumbing leaks which have the capacity to create flooding or cause damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage
- Electrical hazard that could result in shock or fire
- Inoperable refrigerator, smoke detector, lights, toilet if no other available in the unit

### **Entry of Premises Notices**

The SDHC will provide the family with 48 hour written notice prior to entering the unit for non-emergency reasons other than the annual inspection.

If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

Where the SDHC is conducting regular annual examinations of its housing units, the family will receive reasonable advance notice of the inspection to allow the family to prepare and be able to pass the inspection.

Reasons the SDHC will enter the unit are:

- Inspections and maintenance
- To make improvements and repairs
- To show the premises for leasing
- In cases of emergency

**Non-Inspection Emergency Entry**

The SDHC staff will allow access to the unit to proper authorities when issues of health or safety of the tenant are concerned.

**Family Responsibility to Allow Inspection**

The SDHC must be allowed to inspect the unit at reasonable times with reasonable notice. 48 hour written notice will be considered reasonable in all cases.

The resident is notified of the inspection appointment by mail. The family must call the SDHC at least 24 hours before the inspection date to reschedule the inspection, if necessary.

The SDHC will reschedule the inspection only once unless the resident has a verifiable medical reason that has hindered the inspection. The SDHC may request verification.

If the resident refuses to allow the inspection, the resident will be in violation of the lease and the SDHC will notify the family of its intended action.

**Housekeeping**

Residents who "fail" an (annual recertification) inspection for housekeeping will be issued a notice of failed housekeeping and a housekeeping inspection will be scheduled.

If a family fails a housekeeping inspection the family may be summoned for a lease violation conference and will be scheduled for a second inspection.

Lease termination will be served if resident fails the second housekeeping inspection.

**Tenant Damages**

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated lease violations.

"Beyond normal wear and tear" is defined as items that could be charged against the tenant's security deposit under state law or court practice.

## Chapter 10

### PET POLICY [24 CFR 5.309]

#### **INTRODUCTION**

The purpose of this policy is to establish the SDHC's policy and procedures for ownership of pets to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

#### **A. ANIMALS THAT ASSIST PERSONS WITH DISABILITIES**

Pet rules will not be applied to animals that assist persons with disabilities.

To be excluded from the pet policy, the resident/assistance animal owner must certify:

That there is a person with disabilities in the household;

#### **B. MANAGEMENT APPROVAL OF PETS**

The SDHC management must approve all pets in advance.

#### **Registration of Pets**

Pets must be registered with the SDHC before they are brought onto the premises. Registration includes certificate signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, and that the pet has no communicable disease(s) and is pest-free. Annual renewal of licensing and inoculation must be conducted in accordance with applicable State and local laws; and annual certification that the pet has no communicable disease and is pest-free.

Execution of a Pet Agreement with the SDHC stating that the resident acknowledges complete responsibility for the care and cleaning of the pet will be required. The SDHC shall have no liability for the pet or actions of the pet.

Registration must be renewed and will be coordinated with the annual recertification date and proof of license and inoculation will be submitted at least 30-days prior to annual recertification.

Dogs and cats must be spayed or neutered. Each pet owner must provide a color photograph of their pet(s) and provide a "Pet Here" sticker which will be displayed on the front door of the unit at all times.

Approval for the keeping of a pet shall not be extended pending the completion of these

requirements.

### **Refusal To Approve Pets**

The SDHC may not refuse to approve a pet based on the determination that the pet owner is financially unable to care for the pet. If the SDHC refuses to approve a pet, a written notification will be sent to the pet owner stating the reason for denial and shall be served in accordance with HUD Notice requirements.

The SDHC will refuse to approve a pet if:

- The pet is not a common household pet as defined in the Pet Policy;
- Keeping the pet would violate any House Rules;
- The pet owner fails to provide complete registration information, or fails to update the registration annually;
- The SDHC reasonably determines that the pet owner is unable to keep the pet in accordance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.
- Has a communicable disease or is not pest-free.

The notice of denial may be combined with a Lease Violation Notice

A resident who cares for another resident's pet must notify the SDHC and agree to abide by all the pet rules in writing.

### **Pet Rules**

Resident must maintain pet responsibility in accordance with applicable State and local laws and the Pet Agreement/Pet Policy signed by Resident (as an addendum to the Lease Agreement.)

Pet Agreement/Pet Policy states detailed rules for each type of pet. These rules prohibit dangerous animals and other animals based on certain factors including size and weight. In addition, some pets will be restricted according to size, type, and other relevant conditions of housing complex.

### **Pet Deposit**

Resident will be required to pay a refundable pet deposit of \$300 per pet.

Payment plans shall not be used for pet deposits. Full deposit must be paid prior to bringing pet onto the premises.

The SDHC will refund the Security Deposit less any amounts owed, according to State Law requirements.

**Criteria**

Only common household pets will be allowed.

Pets that are considered dangerous or a threat to health and safety will not be permitted at any site.

## Chapter 11

### RECERTIFICATIONS [24 CFR 5.617, 24 CFR 960.209]

#### **INTRODUCTION**

HUD requires that the SDHC recertify all families at least annually. Residents are required to notify the SDHC of any and all changes in family composition and/or income within 10 days of the change. At the annual recertification all adult members must report their current household composition, income, deductions and allowances. Between regular annual recertification, HUD requires that families report all changes in household composition, but the SDHC decides what other changes must be reported and the procedures for reporting them. This Chapter defines the SDHC's policy for conducting annual recertification. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### **A. ELIGIBILITY FOR CONTINUED OCCUPANCY**

Residents who meet the following criteria will be eligible for continued occupancy:

1. Qualify as a family as defined in this policy;
2. Are in full compliance with the obligations and responsibilities described in the dwelling lease;
3. Whose family members, age 6 and older, each have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number;
4. Whose family members have submitted required citizenship/eligible immigration status/non-contending documents.

#### **B. ANNUAL RECERTIFICATIONS**

The annual recertification will be effective no later than the first of the month in which the family moved in, the following year.

When families move to another dwelling unit:

A new recertification will be conducted (verification obtained at the last recertification can be used if less than 180 days old)

A recertification will be conducted (unless a recertification has occurred in the last 120 days) and the anniversary date will be changed effective date of move in.

### **Verification of Information**

All information that affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 180 days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

- the continued eligibility of the resident as a *family* or as the *remaining member* of a family;
- the unit size required by the family;
- the amount of rent the family should pay;
- participation in community service

(Each adult resident shall participate in 8 hours per month of either community service (not including political activities), or economic self-sufficiency classes or program. Exemption is provided, subject to specific requirements.)

### **Changes In The Tenant Rent**

If there is any change in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued [24 CFR 966.4(c) & (o)].

a. **Tenant Rent Increases**

If tenant rent increases, a thirty-day notice will be provided to the family prior to the effective date.

If less than thirty days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date.

b. **Tenant Rent Decreases**

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the SDHC.

If the tenant income decreases and the tenant reported the change within a month prior to the annual recertification anniversary date or between the annual recertification anniversary date and the effective date of the annual recertification, the change will be treated as an interim. The change will be effective the first of the following month that the family reported the change.

### **C. REPORTING INTERIM CHANGES**

Families must report all changes in household composition to the SDHC between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain SDHC approval prior to all additions to the household. (Refer to the Admissions Policy)

1. **Increases in Income to be Reported**

Residents are required to notify the SDHC of any and all changes in family composition and/or income within 10 days of the change.

2. **Increases In Income and Rent Adjustments**

The SDHC will not process rent adjustments resulting from any increase in income until the next regularly scheduled recertification, unless there is a change in family composition and corresponding change of income. Exception for FSS participants.

If tenant rent increases, a thirty-day notice will be provided to the family prior to the effective date.

3. **Decreases in Income and Rent Adjustments**

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the total tenant payment.

The SDHC will process the rent adjustment unless the SDHC confirms that the decrease in income will last less than 30 calendar days.

*NOTE: (See Chapter 6 C. Averaging Income)*

**D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

The SDHC will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of:

- fraud; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the SDHC will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment. Such as the family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

**Verification Before Denying a Request to Reduce Rent**

The SDHC will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

**Cooperation Agreements**

The SDHC takes a proactive approach to create a cooperative relationship between the SDHC and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to public housing residents.

**E. OTHER INTERIM REPORTING ISSUES**

**SDHC Errors**

If the SDHC makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

**F. REPORTING OF CHANGES IN FAMILY COMPOSITION**

The SDHC will not approve the addition of family members other than by birth, adoption, marriage or court-awarded custody where the occupancy standards would require a larger size unit.

All changes in family composition must be reported within 10 working days of the occurrence in

writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household the family will be given 3-6 months to determine if removal is permanent that the member (who may be the head of household) removed is permanently absent.

A permanently removed member cannot return as member of the household for 12-month period and must be subjected to the Tenant Selection Process.

### **Increase in Family Size**

The SDHC will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

- Addition by marriage/or marital-type relation.
- If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

### **Definition Of Temporarily/Permanently Absent**

The SDHC must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

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

It is the responsibility of the head of household to report changes in family composition. The SDHC will evaluate absences from the unit in accordance with this policy.

### **Absence of Entire Family**

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. (In cases where the family has moved out of the unit, the SDHC will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.)

Families should notify the SDHC if they are going to be absent from the unit for more than (21) consecutive days.

"Absence" means that no family member is residing in the unit.

If the entire family is absent from the unit, for more than 60 consecutive days, the unit will be considered to be vacant and the SDHC may terminate tenancy.

If the absence which resulted in termination of tenancy was due to a person's disability, and the SDHC can verify that the person was unable to notify the SDHC in accordance with the lease provisions regarding absences, and if a suitable unit is available, the SDHC may reinstate the family as an accommodation if requested by the family.

### **Absence of Any Member**

A member of the household will be considered permanently absent if she/he is away from the unit for more than (6) six consecutive months.

#### **Absence due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the SDHC will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 6 months, the family member will not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the SDHC's "Absence of Entire Family" policy.  
**Absence due to Incarceration**

If the sole member is incarcerated for more than 60 consecutive days, she/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 60 consecutive days. The rent and other charges must remain current during this period.

The SDHC will determine if the reason for incarceration is for drug-related or criminal activity that would threaten the health, safety and right to peaceful enjoyment of the dwelling unit by other residents.

#### **Foster Care and Absences of Children**

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

If the time period is to be greater than 6 months from the date of removal of the child(ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with the SDHC's occupancy guidelines.

### **Absence of Adult**

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite

period, the SDHC will treat that adult as a visitor for the first 14 calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Tenant Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, the SDHC will secure verification from social services staff or the attorney as to the status.

The Live in aide will be allowed to remain in the unit, as a visitor, until a determination of custody is made. The Live in aide must qualify under the One Strike policy criteria in Chapter 2.

If a member of the household is subject to a court order that restricts him/her from the home for more than 6 months, the person will be considered permanently absent.

If an adult member, other than head or spouse, goes into the military and the family decides that the member is permanently absent: the income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of unit size.

Full time students who attend school away from the home will be treated in the following manner:

A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent: the income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of unit size.

Visitors (See Chapter 9. Leasing)

Any adult not included on the HUD Lease and 50058 who have been in the unit more than 14 consecutive days, will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

Statements from neighbors and/or SDHC staff will be considered in making the determination. The SDHC will consider:

- Statements from neighbors and/or SDHC staff
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- Law enforcement reports

#### Credit reports

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the SDHC will terminate the family's lease since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 14 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member. If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

#### **G. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF UNIT**

To be considered the remaining member of the tenant family, the person must have been previously approved by the SDHC to be living in the unit and must have signed the lease.

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

In order for a minor child to continue to receive assistance as a remaining family member:

1. The court has to have awarded emancipated minor status to the minor or is legally married; or
2. The SDHC has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

#### **H. CHANGES IN UNIT SIZE**

The SDHC will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage or court-awarded custody.

When an approvable change in the circumstances in a tenant family requires another unit size, the family will be placed on the Transfer List.

#### **I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES**

Under the Non-citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

Mixed families who qualify for continued assistance may receive prorated assistance only.

## Chapter 12

### LEASE TERMINATIONS [24 CFR 966.4]

#### **INTRODUCTION**

The SDHC may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (1)(2)], and the terms of the lease. This Chapter describes the SDHC's policies for notification of lease termination and provisions of the lease.

#### **A. TERMINATION BY TENANT**

The tenant may terminate the lease by providing the SDHC with a written 30-day advance notice as defined in the lease agreement.

#### **B. TERMINATION BY SDHC**

Termination of tenancy will be in accordance with the SDHC's lease.

The lease may be terminated by the SDHC at any time by giving written notice for violation of material terms of the lease.

#### **C. TERMINATION BY SDHC**

In the event the resident fails to respond or comply with the notice of delinquency or with any of the resident's obligations under the lease, the SDHC shall serve the resident with a 30-Day Notice to Terminate.

1. The decision to terminate the resident's lease shall be made by the Housing Supervisor, or designee.
2. The SDHC shall serve the resident with a written Notice of Termination in accordance with this policy.
3. The SDHC shall schedule an Informal Conference at the request of the resident. At this conference the resident may respond to the SDHC reasons for termination. The resident may be represented or accompanied by a person of the resident's choice.
4. The SDHC shall make its decision on termination of the lease based on the evidence presented at the Informal Conference whether to:
  - a. rescind or extend the Notice of Termination, or

b. reaffirms its decision to terminate the lease

5. The SDHC shall notify the resident in writing of its final decision and advise resident of appropriate rights under the Grievance Procedure within a reasonable time after the Informal Conference (See Chapter 13 Complaints, Grievances and Appeals).

#### **D. NOTIFICATION REQUIREMENTS**

The SDHC's written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy. (See Chapter 13. Complaints, Grievances and Hearings.)

The notice will be delivered personally to the resident, or any adult 18 years of age or older at the residence and mailed via first-class mail, or posted and mailed via first-class mail.

#### **Criminal Activity**

The SDHC will immediately and permanently terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

The SDHC will terminate tenancy in cases where the SDHC determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

"Engaged in or engaging in" drug related criminal activity means any act by residents, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in" criminal activity means any act by residents, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the SDHC, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

In evaluating evidence of negative behavior, the SDHC will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future that could be supported by evidence of rehabilitation.

The SDHC may waive the requirement regarding drug-related criminal activity if:

The person demonstrates successful completion of a credible rehabilitation program approved by the SDHC, or

The individual involved in drug-related criminal activity is no longer in the household and is removed from the Lease.

**E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS**

[24 CFR 5.514]

Families who are ineligible for continued assistance due to the ineligible immigration status are entitled for temporary deferral of termination of assistance to permit the family additional time for transition to affordable housing.

Deferrals may be granted for intervals not to exceed six months, if one of the following conditions is met:

1. The family demonstrates that reasonable efforts to find other affordable housing of appropriate size have been unsuccessful.
2. The vacancy rate for affordable housing of appropriate size is below 5% in the housing market area.
3. The Consolidated Plan indicates the local jurisdiction's housing market lacks sufficient affordable housing opportunities for households having a size and income similar to the family seeking the deferral.

Upon receipt of a written request for temporary deferral of termination from the family, if the family qualifies for one of the conditions above, they will be granted a three-month deferral period in writing.

During the three-month deferral period the family should look for affordable housing, providing the SDHC a monthly report on its activities. At the end of the three-month period, the family may request, in writing, additional three-month extensions of occupancy. If the family qualifies for one of the conditions above, the SDHC will continue to grant extensions in writing. However, in no case will the deferral period exceed a period of one year.

**F. TERMINATIONS DUE TO DOMESTIC VIOLENCE**

To address the housing needs of victims of domestic violence, dating violence, sexual assault, and stalking, the following applies to all Residents:

An incident or incidents of actual or threatened domestic violence( Domestic Violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction), dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and shall not be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence.

Criminal activity directly relating to domestic violence, dating violence, or stalking engaged in by a member of a Resident's household or any guest or other person under the Resident's control shall not be cause for termination of the tenancy or occupancy rights, if the Resident or an immediate member of the Resident's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Any Resident who engages in criminal acts of violence to family members or others will be evicted from the unit. Victimized lawful occupants will be allowed to continue residency in the unit.

#### **G. TERMINATIONS DUE TO UNREPORTED INCOME**

SDHC shall serve a termination notice when a participant fails to comply with income reporting requirements and may be referred for prosecution by the relevant authorities

## Chapter 13

### COMPLAINTS, GRIEVANCES AND APPEALS [24 CFR 966.50-966.57]

#### **INTRODUCTION**

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the SDHC. This Chapter describes the policies to be used when families disagree with a SDHC decision. It is the policy of the SDHC to ensure that all families have the benefit of all protections due to them under the law.

#### **A. COMPLAINTS**

The SDHC will respond promptly to all complaints as outlined in procedures.

#### **B. APPEALS BY TENANTS**

Grievances or appeals concerning the obligations of the tenant or the SDHC under the provisions of the lease shall be processed and resolved in accordance with the current Grievance Procedure of the SDHC.

#### **Applicability**

This Grievance Procedure applies to all individual grievances, except any grievance concerning a termination of tenancy or eviction that involves:

- a. Any activity, not just criminal activity, that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or SDHC employees, or
- b. Any drug-related criminal activity *on* or *off* such premises.

## Chapter 14

### FAMILY DEBTS TO THE SDHC

#### **INTRODUCTION**

This Chapter describes the SDHC's policies for the recovery of monies owed to the SDHC by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the SDHC's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support the SDHC's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties.

#### **A. RENT PAYMENT PROCEDURE**

The following is the established rental payments procedure for Public Housing residents:

1. Rent payments are due and payable on the first day of each month.
2. Rent payment will be considered late if not received prior to the sixth day of each month.
3. Payment is to be made as follows:
  - Monthly rent payments are to be made in the form of a check or money order payable to the San Diego Housing Commission and mailed as directed by the SDHC.
4. SDHC reserves the right to determine how payments are to be applied toward the different monetary obligations (rent, security deposit charges, utility charges, damage charges, late fees, NSF fees, bank fees, and the like). SDHC may apply all payments received first to the latest outstanding balance and then to the current rental or other obligations.

#### **B. DELINQUENT ACCOUNTS**

Prompt payment of rent payments and other charges is a requirement for continued occupancy. Scheduled payments not received at the SDHC by the fifth day of the month are considered delinquent and shall result in the following:

1. Rent
  - a. In the case of failure to pay rent by the fifth day of the month, on or after

the sixth day of the month the SDHC will serve the resident with a 14-day Notice of Intent to Terminate Lease due to Non-payment of Rent followed by a 3-Day Notice to Pay or Quit.

- b. The notice(s) will be delivered personally to the resident, or any adult 18 years of age or older at the residence and mailed via first-class mail, or posted and mailed via first-class mail

2. Late Charges

- a. If rent payment is not received by the close of business on the fifth day of the month a late charge will be assessed to the resident account on the sixth day of the month.
- b. Late charges will become due on the first day of the month following the assessment of charges.
- c. If a late charge is not paid by the fifth day of the month in which the charge is due, the SDHC will issue a Breach Notice giving the resident three days to pay.
- d. The Breach Notice will be delivered personally to the resident, or any adult family member 18 years of age or older at the residence and mailed via first-class mail, or posted and mailed via first-class mail.
- e. If payment is not received within the three days allowed by the Breach Notice, the SDHC will issue a 30-Day Notice to Terminate.
- f. The 30-Day Notice to Terminate will be delivered personally to the resident, or any adult family member 18 years of age or older at the residence and mailed via first-class mail, or posted and mailed via first-class mail.
- g. If resident requests and an Informal Conference are held, Housing Supervisor or designee must complete a written summary of such discussion within a reasonable time.

3. Maintenance and Other Charges

The following is the calendar for maintenance charges:

- a. Resident incurs charge.
- b. Billing letter will be mailed on 15th or 30th of the month after completion of the work.

- c. Resident will be given two weeks to pay maintenance charge or to request an Informal Conference.
- d. If bill is not paid or resident does not request an Informal Conference, the SDHC will issue a Breach Notice giving three days to pay.
- e. If payment is not received within the three days allowed by the Breach Notice, the SDHC will issue a 30-Day Notice to Terminate.
- f. If resident requests and an Informal Conference are held, Housing Supervisor or designee must complete a written summary of such discussion within a reasonable time.

#### **D. COURT PROCEEDINGS**

After exhausting all efforts to collect required resident payment or resolve other contract violations according to the Collection Policy, the SDHC will initiate appropriate legal action through the judicial system to evict residents following court proceedings.

#### **E. REQUESTING A PAY PLAN**

Residents may request a Pay Plan in order to reimburse the SDHC for:

1. Retroactive rent due to non-report of income
2. Maintenance charges for damages beyond normal wear and tear
3. Accumulated late charges
4. Legal fees from previous civil action
5. Other monies owed to the SDHC

#### **F. CONDITIONS TO GRANT PAY PLAN**

Conditions for allowing a family to enter into a Pay Plan Agreement with the SDHC depend on whether the SDHC considers the family in violation of the Residential Lease, whether the SDHC considers the violation to be fraud, or whether the family owes the SDHC money for some other reason(s).

1. Pay Plans will be granted when:
  - a. There is no previous delinquent Pay Plan
  - b. There is no previous failure to report income and the current request is for retroactive rent

- a. The total dollars owed is less than \$2,500
  - b. The SDHC has determined that fraud does not exist
2. Pay Plans will not be granted if any of the above circumstances do not apply.
- a. If there is a previous delinquent Pay Plan, the family will be asked to pay the balance and may be asked to pay all dollars owed on amounts not covered by Pay Plan.
  - b. If there is a previous failure to report income and the current amount owed is for retro-rent, the family will be asked to pay all dollars owed.
  - c. If total dollars owed are more than \$2,500 the family will be asked to pay immediately a sum which would bring the balance to or under \$2,500.
  - d. If the SDHC determines that fraud has occurred, it will consider local prosecution and/or forwarding the case to the Regional Inspector General for Investigation.
  - e. In all cases above, the SDHC may find the family in violation of its lease and may begin the eviction process for that violation.
  - f. In all cases above, the family has the right to dispute the SDHC's action.

**G. PAY PLAN AGREEMENT GENERAL CONDITIONS**

- 1. Pay Plan Agreement and Promissory Note are synonymous terms.
- 2. Pay Plan Agreements are executed with families who owe money to the SDHC.
- 3. If the SDHC enters into a Pay Plan Agreement, the Agreement will be set up as follows:

**AMOUNT TO PAY INITIAL PAYMENT MAX TERM**

|               |             |             |
|---------------|-------------|-------------|
| \$500 or less | 20-50% due* | 3-6 months  |
| \$501-\$1000  | 20-40% due* | 6-10 months |
| \$1001-\$2500 | 20-33% due* | 12 months   |

*\*Due at the execution of the Pay Plan Agreement.*

- 4. No Pay Plan Agreement will be entered into if the total exceeds \$2,500, except under extreme circumstances and by administrative direction.

#### H. EIV PAY PLAN AGREEMENT CONDITIONS

1. SDHC will follow the HUD prescribed methods for verifying and validating income discrepancies prior to executing a payback or terminating eligibility. Paybacks will be executed for the following cases:

A. **Income Not Reported at Recertification:** >\$2,400 and <\$15,000 (HUD expects PHAs to resolve unreported income discrepancies of \$2,400 or greater)

B. **Income Reported at Recertification:** Exceeding \$5,000.

2. The payback will be calculated at 30% of the gross amount of unreported income.

This is a streamlining measure that will save time preparing retroactive rent calculations that include deductions and allowances.

3. Participants who fail to report income at recert and the amount of unreported income exceeds \$15,000 (\$15,001 +), will be terminated from the program and may be referred for prosecution by the relevant authorities.

#### I. INTERAGENCY INTERCEPT COLLECTIONS

The State Franchise Tax Board (FTB) Interagency Intercept Collections Program may be used to collect delinquent monies owed by previous participants in public housing programs. Once intercepted, the tax refunds and any lottery prizes are redirected to the SDHC to whom the debts are owed. All collection efforts will follow FTB procedures. Collection efforts by the SDHC will follow FTB procedures.

All information obtained from the FTB must be properly safeguarded (in accordance with IRS Pub 1075) since federal tax information may be involved.

**CHAPTER 15**  
**ONE STRIKE POLICY**

**A. PURPOSE**

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the SDHC to fully endorse and implement a policy that is designed to:

1. Help create and maintain a safe and drug-free community;
2. Keep our program participants free from threats to their personal and family safety;
3. Support parental efforts to instill values of personal responsibility and hard work;
4. Help maintain an environment where children can live safely, learn and grow up to be productive citizens; and
5. Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

**B. ADMINISTRATION**

All screening and eviction procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or against other legally protected groups, and not to violate right to privacy.

To the maximum extent possible, the SDHC will involve other community and governmental entities in the promotion and enforcement of this policy.

The SDHC requires all employees to report crime and crime-related problems, or suspected crime and crime-related problems to the local police authorities.

This policy will be posted on the SDHC's bulletin board and copies made readily available to applicants and tenants upon request.

**C. SCREENING**

In an effort to prevent drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or the right to peaceful enjoyment of the premises by other residents, the SDHC will endeavor to screen applicants as thoroughly and fairly as possible. (Refer to Chapter 3. Admissions)

If in the past the SDHC initiated a lease termination, which may or may not have resulted in eviction for any reason cited under the One Strike Notice, for a family, as a prior resident of public housing, the SDHC shall have the discretion to consider all circumstances of the case

regarding the extent of participation by non-involved family members.

If as a result of the standardized inquiry, or the receipt of a verifiable referral, there is indication that the family or any family member is engaged in drug-related criminal or violent criminal activity, the SDHC will conduct closer inquiry to determine whether the family should be denied admission.

The SDHC will check criminal history for all adults in the household to determine whether any member of the family has engaged in violent or drug-related criminal activity.

SDHC will perform a criminal history check on every adult household member (18 years of age or older) utilizing the California Law Enforcement Telecommunications System (CLETS) through the San Diego Police Department.

The SDHC may require, as a condition of providing admission to the public housing program, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain records from the National Crime Information Center, police departments, and other law enforcement agencies.

## Chapter 16

### COMMUNITY SERVICE

#### **A. Background**

The Quality Housing and Work Responsibility Act of 1998 requires that all non-exempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes or other activities that help an individual toward self sufficiency and economic independence. This is a requirement of the Public Housing Lease.

#### **B. Definitions**

##### **Community Service - volunteer work that includes, but is not limited to:**

- Work at a local institution including but not limited to: school, child care center, hospital, hospice, recreation center, senior center, adult day care center, homeless shelter, indigent feeding program, cooperative food bank, etc.;
- Work with a non-profit organization that serves SDHC residents or their children such as: Boy Scouts, Girl Scouts, Boys or Girls clubs, 4-H program, PAL, Garden Center, Community clean-up programs, beautification programs, other youth or senior organizations;
- Helping neighborhood groups with special projects;
- Working through resident organization to help other residents with problems, serving as an officer in a Resident organization, serving on the Resident Advisory Board; and
- Caring for the children of other residents so they may volunteer.

**NOTE:** Political activity is excluded.

##### **Self Sufficiency Activities - activities that include, but are not limited to:**

- Job readiness programs;
- Job training programs;
- GED classes;
- Substance abuse or mental health counseling;
- English proficiency or literacy (reading) classes;
- Apprenticeships;
- Budgeting and credit counseling;
- Any kind of class that helps a person toward economic independence; and
- Full time student status at any school, college or vocational school.

##### **Exempt Adult - an adult member of the family who:**

- Is 62 years of age or older;
- Has a disability that prevents him/her from being gainfully employed;

- Is the caretaker of a disabled person;
- Is participating in welfare to work program; or
- Is working at least 20 hours per week.

**Work Activity – As accepted in the policy the term means:**

- Unsubsidized employment;
- Subsidized private sector employment;
- Subsidized public sector employment;
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
- On-the-job training;
- Job search and job readiness assistance;
- Community service programs;
- Vocational educational training (not to exceed 12 months with respect to any individual);
- Job skills training directly related to employment;
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and
- The provision of childcare services to an individual who is participating in a community service program.

**C. Requirements of the Program**

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The SDHC will make the determination of whether to allow or disallow a deviation from the schedule.
3. Activities must be performed within the community and not outside the jurisdictional area of the SDHC.
4. **Family obligations:**
  - At lease execution or at re-examination, all adult members (18 or older) of a public housing resident family must:
    - a. provide documentation that they are exempt from Community Service requirement if they qualify for an exemption, and

- b. sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in non-renewal of their lease.
- At each annual re-examination, non-exempt family members must present a completed documentation form (to be provided by the SDHC) of activities performed over the previous twelve (12) months. This form will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.
- If a family member is found to be noncompliant at re-examination, he/she and the Head of Household will sign an agreement with the SDHC to make up the deficient hours over the next twelve (12) month period.

5. **Change in exempt status:**

- If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the SDHC and provide documentation of such.
- If, during the twelve (12) month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to the SDHC. The SDHC will provide the person with the Recording/Certification documentation form and a list of agencies in the community that provide volunteer and/or training opportunities.

**D. SDHC Obligations:**

1. To the greatest extent possible and practicable, the SDHC will:
  - provide names and contacts at agencies that can provide opportunities for residents, including disabled, to fulfill their Community Service obligations. (According to the Quality Housing and Work Responsibility Act, a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement); and
2. The SDHC will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution.
3. The SDHC will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use the SDHC Grievance Procedure if they disagree with the SDHC determination.
4. **Noncompliance of family member:**
  - At least thirty (30) days prior to annual re-examination and/or lease expiration, the

SDHC will begin reviewing the exempt or non-exempt status and compliance of family members;

- If the SDHC finds a family member to be noncompliant, the SDHC will enter into an agreement with the noncompliant member and the Head of Household to make up the deficient hours over the next twelve (12) month period; If, at the next annual re-examination, the family member still is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit;
- The family may use the SDHC Grievance Procedure to protest the lease termination.

**Chapter 17**

**FAMILY SELF SUFFICIENCY PROGRAM**

**A. SELECTION OF PARTICIPANTS AND SUPPORT SERVICES**

Participants in the Public Housing Program may participate in Family Self-Sufficiency on a voluntary basis. Outreach to Public Housing Program participants is conducted on a regular basis, as detailed in the FSS Action Plan.

All eligibility criteria will be in accordance with the current Public Housing Program regulations.

**B. ESCROW ACCOUNTS**

Increases in FSS participants rent shares due to increased earnings will be paid into an escrow account on behalf of participants. Upon the applicant's successful completion of the FSS Program, the participant will be eligible to receive the money in the escrow account.

**C. TERMINATION OF ASSISTANCE**

When a Family is terminated from the Public Housing Program, the Family Self-Sufficiency Contract of Participation is terminated immediately. FSS services may be withheld for other circumstances, as detailed in the FSS Action Plan.

For specific procedures regarding FSS participants, refer to the FSS Action Plan.

## Chapter 18

### GLOSSARY

#### I. TERMS USED IN DETERMINING RENT

##### **ANNUAL INCOME (24 CFR 5.609)**

Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute. Annual income includes:

1. The full amount before any payroll deductions, of wages and salaries, overtime pay, commission's fees, tips and bonuses, and other compensation for personal services.
2. The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.

When the family has net family assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.

4. The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

*NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.*

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay.

6. All welfare assistance payments received by or on behalf of any family member. (24CFR 913.106(b)(6) contains rules applicable to “as-paid” States).
7. Periodic and determinable allowances, such as alimony and child care support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.
8. All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

**EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)**

1. Income of an eligible family as a result of increased income due to employment during the 12-month period beginning on the date on which the employment is commenced. Eligible families are those:
  - Whose income increases as a result of employment of a family member who was previously unemployed for one or more years. ("previously unemployed" includes a person who has earned, in the previous twelve months, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.)
  - Whose employment income increases during the participation of a family member in any family self-sufficiency or other job training; or
  - Who have either been on TANF income maintenance or received at least \$500 in other TANF benefits during or within the last 6 months under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, and whose earned income increases.
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
3. Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and worker’s compensation) capital gains, and settlement for personal property losses;
4. Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.
5. Income of a live-in aide, provided the person meets the definition of a live-in aide.
6. The full amount of student financial assistance paid directly to the student or the educational institution.

7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
8.
  - (a) Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and childcare vouchers for the duration of the training;
  - (b) Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).
  - (c) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.
  - (d) Amount received as a Resident services stipend. A modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the SDHC, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, emergency contact, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time.
  - (e) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.
9. Temporary, non-recurring, or sporadic income (including gifts).
10. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993.)
11. Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse).
12. Adoption assistance payments in excess of \$480 per adopted child.
13. Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

14. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
15. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
16. Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. (HUD in the Federal Register identifying the benefits that qualify for this exclusion will publish a notice.

Other Federal Statute as of August 3, 1933 excludes the following benefits:

- a. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;
- b. Payments to volunteers under the Domestic Volunteer Service Act of 1973;

Examples of programs under this Act include but are not limited to:

The Retired Senior Volunteer Program (RSVP)  
Foster Grandparent Program (FGP)  
Senior Companion Program (SCP)  
Older American Committee Service Program

National Volunteer Antipoverty Programs such as:

VISTA  
Peace Corps  
Service Learning Program  
Special Volunteer Programs

Small Business Administration Programs such as:

National Volunteer Program to Assist Small Businesses  
Service Corps of Retired Executives

- c. Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]
- d. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]
- e. Payments or allowances made under the Department of HHS Low Income Home

Energy Assistance Program. [42 USC 8624 (f)]

- f. Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b))
  - g. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).
  - h. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.
  - i. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.
  - j. Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayors, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
  - k. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the *In-Re Orange* Product Liability litigation.
  - l. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q)
  - m. Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32 )(j).
  - n. Living allowances under Americorps Program (Nelson Diaz Memo to George Latimer 11/15/94)
17. Earned Income of Minors: Income from the employment of children (including foster children) under the age of 18 years.

**ADJUSTED INCOME**

Annual income, less allowable HUD deductions.

All Families are eligible for the following:

1. Child Care Expenses: A deduction of reasonable amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the Annual Income is computed. Reasonable childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Reasonable amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the SDHC when the expense is incurred to permit education.
2. Dependent Deduction. An exemption of \$480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.
3. Handicapped Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.

- a. For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.
- b. For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.

For Elderly and Disabled Families Only:

Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered

by the SDHC for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

- (1) For elderly families without disability expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.
- (2) For elderly families with both disability and medical expenses: The amount of handicapped assistance is calculated first, then medical expenses are added.

4. Elderly/Disabled Household Exemption: An exemption of \$400 per household.

#### ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM

The purpose of HUD's EIV System is to make integrated income data available from one source, via the Internet, for PHAs to use to improve income verification during required income reexaminations. EIV provides the following information:

Monthly employer new hires

Quarterly wages (including employer information), Federal wages are available

Quarterly unemployment compensation

Monthly social security (SS) and supplement security income (SSI) benefits

## **II. GLOSSARY OF HOUSING TERMS**

**ACCESSIBLE DWELLING UNITS.** When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is “accessible” within the meaning of this paragraph.

**ACCESSIBLE FACILITY.** All or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps.

**ACCESSIBLE ROUTE.** For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

**ACTIVE U.S. SERVICEPERSON.** A person in the active military of the United States.

**ADAPTABILITY.** Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types and degrees of disability.

**ADMISSION.** Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

**ALLOCATION PLAN.** The plan submitted by the SDHC and approved by HUD under which the SDHC is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

**ANNUAL INCOME AFTER ALLOWANCES.** The Annual Income (described above) less the HUD-approved allowances.

**APPLICANT** (or applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

**AREA MEDIAN INCOME (AMI).** Median income means, with respect to an area, the unadjusted median family income for the area as most recently determined and published by HUD.

**“AS-PAID” STATES.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

**ASSETS.** (See Net Family Assets.)

**AUXILIARY AIDS.** Services or devices that enable persons with impaired sensory, manual, or

speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

**CEILING RENT.** An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the monthly per-unit operating costs and a deposit to a replacement reserve. The family pays the lower of the ceiling rent or the formula tenant rent. (*SDHC does not use*)

**CO-HEAD.** An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a Co-head or Spouse, but not both. A co-head never qualifies as a dependent.

**CREDIBLE EVIDENCE.** May be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants and evidence gathered by SDHC employees.

**DEPENDENT.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or older enrolled at a traditional educational institution or pursuing full-time vocational training.

**DESIGNATED FAMILY.** The category of family for whom the SDHC elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992-housing Act. (24 CFR 945.105)

**DISABILITY ASSISTANCE EXPENSE.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**DISABLED PERSON.** A person who is any of the following:

- (1) A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423).
- (2) A person who has a physical, mental, or emotional impairment that:
  - (i) Is expected to be of long-continued and indefinite duration;
  - (ii) Substantially impedes his or her ability to live independently; and
  - (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
- (3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides.

**DISPLACED FAMILY.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

**DOMESTIC VIOLENCE.** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG-RELATED CRIMINAL ACTIVITY.** Term means:

- (1) Drug-trafficking; or
- (2) Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**DRUG TRAFFICKING.** The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** The term means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare, financial or household management, or apprenticeship.

**ELIGIBLE IMMIGRATION STATUS (EIS) MAXIMUM RENT.** Public housing maximum rent is determined by using the 95<sup>th</sup> percentile rent for the housing authority. The result is the maximum subsidy for which the family could qualify if all members were eligible (“family maximum rent”).

**ELDERLY FAMILY.** A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well being.

**ELDERLY PERSON.** A person who is at least 62 years old.

**ELIGIBLE FAMILY (Family).** A family is defined by the SDHC in the Admission and Continued Occupancy Plan.

**EXCEPTIONAL MEDICAL OR OTHER EXPENSES.** Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889, which exceeded 25% of the Annual Income. It is no longer used.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.** A family whose annual income is at or below 30% of the Area Median Income.

**FAMILY.** The applicant must qualify as a family as defined by the SDHC.

**FAMILY OF VETERAN OR SERVICEPERSON.** A spouse or ex-spouse that has not remarried.

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by an SDHC to promote self-sufficiency of assisted families, including the provision of supportive services.

**FLAT RENT.** A rent based on a Fair Market rental value of the unit.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

**GOOD CAUSE.** Verifiable reasons which substantiate failure to meet an obligation.

**HEAD OF HOUSEHOLD.** The person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOMELESS.** An applicant is considered homeless if the applicant lacks a fixed, regular and adequate night-time residence and can provide verification that their night-time residence is:

- a) A supervised publicly or privately operated shelter designed to provide temporary living accommodations; or
- b) An institution that provides temporary residence for individuals intended to be

- institutionalized (not incarcerated); or
- c) A public or private place not designed for, or ordinarily used as, a regular place for human beings.

**HOUSING AGENCY.** A state, country, municipality or other governmental entity or public body authorized to administer the program. The term “HA” includes an Indian housing authority (IHA). (“SDHC” and “HA” mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PLAN.**

- (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.
- (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

**HOUSING QUALITY STANDARDS (HQS).** The HUD minimum quality standards for housing assisted under the Section 8 program.

**HUD.** The Department of Housing and Urban Development or its designee.

**HUD REQUIREMENTS.** HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

**HURRA.** The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

**IMPUTED ASSET.** Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

**IMPUTED INCOME.** HUD passbook rate times the total cash value of assets, when assets exceed \$5,000.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME FOR ELIGIBILITY.** Annual Income.

**INDEPENDENT STUDENT.**

1. The student must be **married**; or
2. The student must **have a child or other dependents** who receive more than half their support from the student and who also live with the student; or
3. The student must be enrolled as a **graduate or professional student** (medicine, dentistry, or law); or
4. The student must be a qualified **veteran** of the U.S. military; or
5. The student must be an **orphan (parents deceased) or ward of the court** or was a ward of the court until age 18; or
6. The student must have **special and unusual circumstances** which can be documented to his or her college financial aid administrators (i.e., abuse in the family, alcoholism, etc.). This is extremely rare and only an experienced financial aid administrator at your college can make this "dependency override."

**INDIAN.** Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

**INDIAN HOUSING AUTHORITY (IHA).** A housing agency established either:

- (1) By exercise of the power of self-government of an Indian Tribe, independent of State law, or
- (2) By operation of State law providing specifically for housing authorities for Indians.

**INTEREST REDUCTION SUBSIDIES.** The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

**INVOLUNTARILY DISPLACED PERSON.** Involuntarily Displaced Applicants are applicants who meet the HUD definition for the federal preference.

**LANDLORD.** Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

**LEASE.** A written agreement between an owner and an eligible family for the leasing of a housing unit.

**LIVE-IN AIDE.** A person who resides with an elderly person or disabled person and who:

- (1) Is determined to be essential to the care and well being of the person.
- (2) Is not obligated for the support of the person.
- (3) Would not be living in the unit except to provide necessary supportive services.

**LOCAL PREFERENCE.** A preference used by the SDHC to select among applicant families without regard to their federal preference status.

**LOW-INCOME FAMILY.** A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

**MEDICAL EXPENSES.** Those total medical expenses anticipated during the period for which Annual Income is computed, and which is not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

**MINIMUM RENT.** An amount established by the SDHC to be \$50.00

**MINOR.** A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MONTHLY-ADJUSTED INCOME.** 1/12 of the Annual Income after Allowances.

**MONTHLY INCOME.** 1/12 of the Annual Income before allowances.

**NEAR-ELDERLY FAMILY.** A family whose head, spouse, or sole member is at least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

**NET FAMILY ASSETS.** The net cash value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

**OCCUPANCY STANDARDS.** Standards established by a SDHC to determine the appropriate number of bedrooms for families of different sizes and compositions.

**PREMISES.** The building or complex in which the dwelling unit is located including common areas and grounds.

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

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

**PUBLIC ASSISTANCE.** Welfare or other payments to families or individuals based on need, which are made under programs, funded, separately or jointly, by Federal, state, or local

governments.

**PUBLIC HOUSING AGENCY (SDHC).** A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term “PHA” includes an Indian housing authority (IHA). (“SDHC” and “HA” mean the same thing.)

**QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998.** The Act, which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD’s Public Housing and Section 8 assistance programs.

**RECERTIFICATION.** Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if the family reports no interim changes.

**REMAINING MEMBER OF TENANT FAMILY.** Person left in assisted housing after other family members have left and become unassisted.

**SECRETARY.** The Secretary of Housing and Urban Development.

**SECURITY DEPOSIT.** A dollar amount referenced in resident lease and paid by resident at time of lease-up that is used upon termination of the lease for unpaid rent, damages or other amounts owed under the lease according to State or local law. The balance “if any” is paid to the ex-resident per requirements of State law.

**SERVICEPERSON.** A person in the active military or naval service (including the active reserve) of the United States.

**SINGLE PERSON.** A person living alone or intending to live alone who is not disabled, elderly, or displaced or the remaining member of a tenant family.

**SPOUSE.** The marriage partner of the head of the household.

**SUBSIDIZED PROJECT.** A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association), which receives the benefit of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section

8 of the United States Housing Act after amendment by the Housing and Community Development Act unless a Public Housing Agency owns the project;

5. A Public Housing Development.

**TENANT.** (Synonymous with resident) The person or persons who execute the lease as lessee of the dwelling unit.

**TENANT RENT.** The amount payable monthly by the family as rent to the SDHC.

**TOTAL TENANT PAYMENT (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**UNIFORM PHYSICAL CONDITION STANDARDS (UPCS).** Physical condition standards for HUD housing that is decent, safe, and sanitary and in good repair (DSS/GR).

**UNIT/HOUSING UNIT.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

**UTILITIES.** Utilities mean water, electricity, gas, other heating, and refrigeration, cooking fuels, trash collection and sewage services. Telephone and cable service are not included as a utility.

**UTILITY ALLOWANCE.** The SDHC's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

**UTILITY REIMBURSEMENT PAYMENT.** The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

**VERY LOW INCOME FAMILY.** A Low-Income Family who's Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

**VETERAN.** A person who has served in the active military service of the United States at least six (6) months or longer and who shall have been released under conditions other than dishonorable.

**VIOLENT CRIMINAL ACTIVITY.** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**WAITING LIST.** A list of families organized according to HUD regulations and SDHC policy that are waiting for assistance to become available.

**WELFARE ASSISTANCE.** Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. (*Now known as Temporary Assistance to Needy Families (TANF)*)

**III. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE**

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE.** Evidence of citizenship or eligible immigration status means the documents, which must be submitted to evidence citizenship or eligible immigration status.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**INS.** The U.S. Immigration and Naturalization Service.

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NONCITIZEN.** A person who is neither a citizen nor national of the United States.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the SDHC).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.