



**HOUSING**  
**AUTHORITY of**  
**BALTIMORE CITY**

# The Housing Choice Voucher Program Administrative Plan

Approved By the HABC Board of Commissioners:

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HOUSING AUTHORITY OF BALTIMORE CITY

DRAFT FY 2021 Housing Choice Voucher  
Administrative Plan

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## Chapter 1: STATEMENT OF POLICIES AND OBJECTIVES

### 1.1. INTRODUCTION

The Housing Choice Voucher (HCV) tenant-based assistance programs are federally funded and administered for the city of Baltimore by the Housing Authority of Baltimore City (HABC) through its HCV Program office.

Effective March 31, 2005, HABC entered into a Moving to Work Demonstration Agreement (MTW Agreement) with the United States Department of Housing and Urban Development (HUD). MTW is a national demonstration program established by Congress that allows Public Housing Authorities (PHAs) to develop and implement innovative and flexible solutions to meet local housing needs. HABC's Administrative Plan for the HCV Program identifies the policies and rules under which HABC's program will operate.

Administration of the HCV Program and the functions and responsibilities of the Housing Authority staff shall comply with HABC's Personnel Policy, this Administrative Plan and all applicable HUD Regulations as well as all federal, state and local laws and regulations.

#### 1.1.1 Jurisdiction

The jurisdiction of HABC is primarily within the City of Baltimore's territorial boundary. However, HABC may administer rent subsidy payments and assistance programs in adjacent jurisdictions, as permitted by State Law, if that jurisdiction does not administer assistance programs and/or accept Housing Choice Vouchers from Baltimore City.

### 1.2. HABC MISSION AND VISION STATEMENT

To create and provide quality affordable housing opportunities in sustainable neighborhoods for the people we serve.

To create diverse and vibrant communities; to provide opportunities for self-sufficiency; and to build pathways for strong partnerships.



### 1.3. GOALS

#### 1.3.1 The Four C's of HABC

##### *1.3.1.1 Community*

Improve the housing and quality of life for the people we serve.

##### *1.3.1.2 Collaboration*

Build upon our commitment to strong partnerships with residents, employees, government, nonprofit and business communities.

##### *1.3.1.3 Customer Service*

Increase efficiency, responsiveness, and accountability in the services we provide to our internal and external clients.

##### *1.3.1.4 Communication*

Create clear and consistent communication.

#### 1.3.2 HABC Strategic Goals

##### *1.3.2.1 Strategic Goal: Increase the availability of decent, safe and affordable housing.*

Goal: Expand the supply of assisted housing Objectives:

- Apply for additional vouchers to serve special purpose needs;
- Leverage private or other public funds to create additional housing opportunities.

Goal: Improve the quality of assisted housing Objectives:

- Increase the number of rental units meeting and being maintained at HABC's housing quality standards.

Goal: Increase customer satisfaction: Objectives:

- Concentrate on efforts to improve specific management functions:
  - Voucher Unit Inspection;
  - Conduct mobility counseling and offer housing search assistance;
  - Coordinate with communities to ensure housing quality standards of HCV properties;
  - Adequately fund and staff Management Information Systems (MIS);
  - Expand housing opportunities with HCV;
  - Improve provision of information and problem resolution to applicants, residents and property owners.

Goal: Increase Assisted Housing Choices Objectives:

- Provide voucher mobility counseling;
- Conduct outreach efforts to potential voucher landlords;
- Support voucher homeownership program.

**1.3.2.2      *Strategic Goal: Promote self-sufficiency and asset development of families and individuals***

Goal: Promote self-sufficiency and asset development of assisted households Objectives:

- Increase the number and percentage of employed persons in assisted families;
- Provide or attract supportive services to improve recipients' employment opportunities;
- Coordinate with agencies that provide supportive services to increase independence for the elderly or families with disabilities.

**1.3.2.3      *Strategic Goal: Ensure Equal Opportunity in Housing for all Americans***

Goal: Ensure equal opportunity and affirmatively further fair housing Objectives:

- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familial status, sexual orientation, gender identity, marital status, and/or disability;

- Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, sexual orientation, gender identity, marital status, and/or disability;
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required.

### 1.3.3 Other HABC Goals

Consistent with Baltimore City Consolidated Plan (July 1, 2000 – June 2005), this plan is organized around the following goals:

- Expand housing opportunities for low- and moderate-income households;
- Expand homeownership opportunities;
- Cooperate with Community Development Corporations (CDC's) to revitalize communities;
- Support families making the transition from welfare to work;
- Maintain high performance standards for the HCV program.

## 1.4. PURPOSE OF THE PLAN

The purpose of HABC's HCVP Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and the goals and objectives contained in the Agency Plan. HABC will revise this Administrative Plan as needed to comply with changes in Federal, State and local regulations and to meet new and revised HABC goals and objectives as developed under the MTW Agreement.

HABC may amend or modify any HABC policy, rule or regulation or other aspect of the plan. If the amendment or modification is a significant amendment or modification, HABC:

- (a) May not adopt the amendment or modification until HABC has duly called a meeting of its Board of Commissioners and the meeting, at which the amendment or modification is adopted, is open to the public; and
- (b) May not implement the amendment or modification, until notification of the amendment or modification is provided to HUD in accordance with the HUD/HABC MTW Agreement.

1.4.1 **Note Re: Thompson Settlement Agreement (Thompson, et al. v. HUD, et al.)**

This Administrative Plan provides the policies and procedures necessary for managing the Housing Choice Voucher Program (tenant- and project-based vouchers).

The Administrative Plan does not provide policies and procedures for the management of the vouchers set aside to ensure compliance with the Thompson Settlement Agreement entered into on behalf of the plaintiffs in the case of Thompson, et al. v. HUD et al.:

**Thompson Settlement Agreement Vouchers**

<b>Voucher</b>	<b>Quantity</b>
Tenant-Based (Mobility Vouchers)	1342
Home Ownership / Project-based Vouchers	496
Flexible Vouchers	150
<b>Total</b>	<b>1988</b>

The administration of the Partial Consent Decree vouchers is addressed in a separate document, the HABC Administrative Plan for Thompson v. HUD Partial Consent Decree Section 8 Programs (the Special Administrative Plan). However, that document will reference the Housing Choice Voucher Program Administrative Plan for specific policies regarding the general administration of the Housing Choice Voucher Program by HABC.

1.5. **ADMINISTRATIVE FEE RESERVE**

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall be consistent with HABC rules and procedures.

1.6. **RULES AND REGULATIONS**

This Administrative Plan is set forth to define HABC policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to the HCV Program that are not addressed in this document, are governed by Federal Regulations, HUD Memos, or HUD Notices and guidelines, or other applicable laws. The policies in this Administrative Plan have been designed to ensure compliance with the HUD/HABC MTW Plan and all HUD-approved applications for program funding.

## 1.7. TERMINOLOGY

- The Housing Authority of Baltimore City is referred to as "HABC" or "Housing Authority" throughout this document.
- "Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.
- "Tenant" is used to refer to participants in terms of their relation to landlords.
- "Landlord" and "owner" are used interchangeably.
- The Non-Citizen Rule refers to 24 CFR Part 5 Subpart E Restricting Assistance to US Citizens and Eligible Immigrants.
- The Housing Choice Voucher Program refers to the merged Certificate and Voucher program effective as of October 1st, 1999.
- "HQS" means the Housing Quality Standards required by HUD regulations as enhanced by HABC.
- "Failure to Provide" refers to all requirements in the first Family Obligation. See "Denial or Termination of Assistance" chapter.
- See Glossary for other terminology.

## 1.8. FAIR HOUSING POLICY

It is the policy of HABC to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing fair housing and equal opportunity in housing and employment.

HABC shall not on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, marital status, handicap or disability, sexual orientation, gender identity, or source of income:

- Deny any family or individual the equal opportunity to apply for or receive assistance under the Housing Choice Voucher Programs;
- Deny any family the opportunity to apply for assistance, or deny any qualified applicant the opportunity to receive assistance suitable to their needs;
- Provide assistance that is different from that provided to others;
- Subject a person to segregation or disparate treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with the Housing Choice Voucher Program;

- Treat a person differently in determining eligibility or other requirements for admission; or
- Deny any person access to the same level of services.

To further its commitment to full compliance with applicable Civil Rights laws, HABC will provide Federal, State, and local information to voucher holders regarding unlawful discrimination in housing and the recourse available to families who believe they are victims of such discrimination. Such information will be made available during the voucher briefing session. In addition, fair housing information and discrimination complaint forms will be made a part of the voucher holder's briefing packet and available upon request at HABC's Office located at 1225 West Pratt Street, Baltimore, MD 21223 and by HABC's Fair Housing & Equal Opportunity ("FHEO Office") Office located at 417 E. Fayette Street, Baltimore, MD 21202, (410) 396-4247.

HABC staff will be required to attend fair housing training, which will include the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Appropriate staff will attend local fair housing training update programs sponsored by HABC, HUD and other local organizations to keep current with new developments.

Fair Housing posters are posted throughout HABC offices, including in the lobby and interview rooms, in such a manner as being easily readable from a wheelchair. The equal opportunity logo will be used on all outreach materials.

Except as otherwise provided in 24 CFR § 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because HABC facilities are inaccessible to, or unusable by persons with disabilities.

HABC offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided through the Maryland Relay System. HABC provides sign language interpreters for meetings when requested as a reasonable accommodation.

HABC's FHEO Office is responsible for monitoring HABC's compliance with, and enforcing the requirements of, the fair housing laws and HABC's fair housing policy as set forth in this Administrative Plan.

### **1.8.1 Affirmatively Furthering Fair Housing**

Pursuant to Section 808 (e) (5) of the Fair Housing Act, HUD requires its funding recipients to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act.

Protected classes under the Fair Housing Act include race, color, sex, religion, national origin, familial status, and handicap or disability. The proposed FSS Coordinator, if funded, shall affirmatively further fair housing by:

- Providing referral and advocacy services to program participants, assisting them in acquiring the training and employment assistance to enable them to secure and retain employment and thereby increase their income and their choice of housing; and
- Engaging program participants in financial literacy workshops, credit counseling and approved homeownership programs that will equip them to recognize housing discrimination and violations of their housing rights and will provide information on where and how to file a complaint.

### 1.8.2 Affirmatively Furthering Fair Housing – Family Self Sufficiency (FSS)

HABC will take reasonable steps to affirmatively further fair housing in the FSS program and will maintain records of those steps and their impacts. These steps will include: (1) advertising widely in the community for the coordinator position, (2) marketing the program to all eligible persons with limited English proficiency, (3) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities, (4) providing referrals to fair housing agencies, (5) informing participants of where to file a fair housing complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-800-669-9777, and (6) since the program has a goal of homeownership or housing mobility, recruiting service providers in areas that expand housing choice to program participants. Record keeping will include, but not be limited to, the race, color, sex, religion, national origin, ancestry, age, familial status, marital status, handicap or disability, sexual orientation, or gender identity status of program participants.

## 1.9. VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT AND/OR STALKING

The purpose of this policy is to implement applicable revisions of the Violence Against Women Act of 2005 and the Violence Against Women Reauthorization Act of 2013 (collectively “VAWA”), and to set forth HABC’s policies regarding domestic violence, dating violence, sexual assault and stalking. Notwithstanding VAWA’s title, this policy is gender neutral.

### 1.9.1 Assistance to VAWA Victims

No applicant to HABC’s HCV Program who has been a victim of domestic violence, dating violence, sexual assault, or stalking shall be denied admission into the program if they are otherwise qualified.

### 1.9.2 VAWA Provisions on Termination of Assistance to Victims

VAWA provides that “no person may deny assistance, tenancy, or occupancy rights to housing assisted under a covered housing program to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household, of the tenant, or any guest or person under the control of the tenant, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault or stalking.”

HABC may exercise its authority to “bifurcate a lease for the housing in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of the housing.”

VAWA does not limit HABC’s authority to terminate the assistance of any participant if HABC “can demonstrate that an actual and imminent threat to other tenants or individuals employed at or providing service to the property would be present if the assistance is not terminated or the tenant is not evicted.”

### 1.9.3 Victim Documentation

HABC will require an individual to submit documentation affirming any claim for which a participant family is facing termination of assistance because of the actions of a participant’s household member, or other person under the participant’s control who claims that he or she is the victim of actions that are related to domestic violence, dating violence, sexual assault or stalking.

HABC will accept one of three methods for certification of a claim under VAWA:

- A completed HUD Form 5382, which HABC will make available to a participant family upon request; and/or
- A Federal, State, tribal, local police or other law enforcement, or court record; and/or
- Documentation signed and attested to by an employee, agent, or volunteer of a victim service provider, attorney, a medical professional, or a mental health professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of abuse, in which the professional attests under penalty of perjury to the professional’s belief that the incident(s) in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, sexual assault or stalking has signed or attested to the documentation.



The required certification and supporting documentation must be submitted to HABC within fourteen (14) business days after HABC issues a written request for the documentation. The 14-day deadline may be extended at HABC's discretion. If the individual does not provide the required certification and supporting documentation within the 14 business days, or by the end of the approved extension period, HABC may proceed with termination of assistance.

For participants that have not yet been terminated, but HABC can demonstrate an actual and imminent threat to other participants, residents, or employees at or providing service to, the property, HABC will bypass the standard process and proceed with the immediate termination of the family's assistance.

#### 1.9.4 Terminating Assistance of a VAWA Offender

Although VAWA provides termination protection for victims of domestic violence, dating violence, sexual assault and/or stalking, it does not provide protection for offenders. HABC may exercise its explicit authority to "evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking against an affiliated individual or other individual without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of housing."

This authority supersedes any local, state, or other federal law to the contrary. However, if HABC chooses to exercise this authority, HABC will follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance.

When the actions of a participant or other family member result in a decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, HABC will request that the victim submit the required certification and supporting documentation in accordance with the stated timeframe. If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, HABC will terminate only the offender's assistance or require the household remove the offender from the lease and HAP Contract. If the victim does not provide the certification and supporting documentation, as required, HABC will proceed with termination of the family's assistance.

For participants that have not yet been terminated, but HABC can demonstrate an actual and imminent threat to other participants, residents, or employees at or providing service to, the property, HABC will bypass the standard process and proceed with the immediate termination of the family's assistance.

### 1.9.5 Confidentiality Requirements

All information provided to HABC regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law. HABC will maintain information regarding domestic violence, dating violence, sexual assault or stalking in a sealed envelope in the participant's file.

### 1.9.6 VAWA Definitions

The following definitions, which are related to VAWA, can be found in the definitions section of this Administrative Plan:

- Domestic Violence
- Dating Violence
- Sexual Assault
- Stalking
- Affiliated Individual

### 1.10. REASONABLE ACCOMMODATIONS POLICY

As set forth in HABC's Reasonable Accommodations Policy and Procedures, HABC is committed to ensuring that its policies and practices do not deny individuals with disabilities the opportunity to participate in, or benefit from, nor otherwise discriminate against individuals with disabilities in connection with the operation of HABC's housing services or programs, solely on the basis of such disabilities. Therefore, if an individual with a disability or persons associated with people with disabilities requires an accommodation, such as an accessible feature or modification to HABC policy, HABC will provide such accommodation, unless doing so would result in a fundamental alteration in the nature of the program or an undue financial or administrative burden. In such case, HABC will make another accommodation that would not result in a financial or administrative burden.

Written information regarding this policy and the procedures for making a request for a reasonable accommodation is available at the Customer Relations Center, Public Housing Management Offices, HABC's Central Office, HABC's Fair Housing and Equal Opportunity Office, and HABC's website.

Reasonable accommodations will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide information on behalf of the person with

the disability, but only with the permission of the person with the disability. Permission is required by HABC in the form of a notarized statement, or through oral verification when applicable, or through a Power of Attorney as approved by HABC's Office of Legal Affairs verifying permission of the person with a disability.

All HABC mailings will be made available in an accessible format upon request, as a reasonable accommodation.

The definitions of the terms "individual with a disability," as defined by Section 504, and "person with disabilities," as defined by the ADA, are set forth in the glossary to this Administrative Plan.

A reasonable accommodation may be requested by persons with disabilities or persons associated with people with disabilities by contacting the HABC HCVP Office in writing at 1225 W Pratt Street, Baltimore, MD 21223 or by calling (443) 984-2222 or by going online to [www.HABC.org](http://www.HABC.org).

#### **1.10.1 Verification of Disability**

HABC may verify a requestor's disability only to the extent necessary to ensure that the requestor is qualified for the housing for which he or she had applied, is qualified for deductions used in determining adjusted income, is entitled to preferences that have been claimed, and that the requested accommodation is needed to address, or because of, a disability. HABC will not require persons requesting a reasonable accommodation to provide access to confidential medical records in order to verify a disability and will not require specific details about the disability. HABC may require documentation of the manifestation of the disability that causes a specific need for a specific accommodation or accessible unit.

#### **1.10.2 Applying for Admission**

Accommodations for applications will be made upon request from a person with a disability. For more information on applying for admission to the HCV Program, please refer to Chapter 3.

The application is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. HABC staff will interview Applicants in order to review the information on the application form. Verification of disability as it relates to 504, Fair Housing, or the Americans with Disabilities Act (ADA) reasonable accommodation will be requested at this time.

## 1.11. LANGUAGE INTERPRETATION, TRANSLATION OF DOCUMENTS, AMERICAN SIGN LANGUAGE (ASL) INTERPRETATION

HABC uses contractors to:

- Provide language interpretation services over the telephone;
- Translate documents;
- Provide American Sign Language interpretation; and
- Accessibility for the hearing impaired is provided through the Maryland Relay System (dial 7-1-1).

Information about how to request these services is available to HABC staff on HABC's intranet website, which also provides a link to documents translated by HUD.

### 1.11.1 **Language Assistance**

HABC will provide readers to assist persons with literacy barriers in completing the application and certification process, upon request.

## 1.12. HCV PROGRAM MANAGEMENT ASSESSMENT OBJECTIVES

HABC operates its housing assistance program with efficiency and can demonstrate to auditors that HABC is using its resources in a manner that reflects its commitment to quality and service. Under the HUD/HABC MTW Agreement, HCV program performance shall be measured in terms of compliance with the policies and procedures identified in the Administrative Plan.

The following areas are among those to be monitored and measured:

- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- HQS Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- Payment Standards
- Scheduled Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract HQS Inspections

- Scheduled HQS Inspections
- Lease-up
- Family Self-Sufficiency Enrollment and Escrow Account Balances (as applicable for FSS)

An HABC Supervisor or Quality Control Specialist, other than the person performing the work, will perform quality control reviews. The following indicators will be reviewed:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control

The annual sample of files and records will be drawn in a random manner and provide a clear audit trail. The minimum sample size to be reviewed will relate directly to each indicator. The internal auditor shall conduct an annual review to ensure that this process is being followed.

Supervisory staff will audit the following functions:

- Not less than 5% of reexaminations
- Not less than 5% of new applications
- Not less than 5% of rent adjustments
- Not less than 5% of HQS inspections

#### 1.13. RECORDS FOR MONITORING HABC PERFORMANCE

In order to demonstrate compliance with its Administrative Plan, HABC will maintain records, reports and other documentation in accordance with agency requirements. This provision is intended to allow the internal auditor to monitor and assess HABC operational procedures to ensure objectivity, accuracy and conformance with agency requirements as defined within the Administrative Plan.

#### 1.14. PRIVACY RIGHTS

Applicants and participants, including all adults (i.e. 18 years of age and older) in their households, are required to sign the HUD 9886 Authorization for Release of Information form or an HABC equivalent. Completion of this form is required at every initial screening, interim, or regular re-examination. This document authorizes HABC to request income information from the State wage information collection agency and other Federal collection agencies in order to verify household income. This document incorporates the Federal Privacy Act Statement and does not provide

authorization for the release of family information. Failure to sign the consent form will result in the denial of eligibility or termination of assisted housing benefits.

HABC policy regarding release of information is in accordance with State and local laws. Information to be supplied to a landlord, upon request, is limited to that specified in Chapter 9 of this plan.

HABC practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location that is only accessible by authorized staff.

All files must be signed for when removed from the secured file storage area.

HABC staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Any and all information that would lead one to determine the nature and/or severity of a person's disability, or eligibility based on a criminal background check, must be kept in a separate folder and marked "confidential". The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation or a criminal eligibility determination is under consideration.

## 1.15. OUTREACH

Outreach efforts will include notification of the media and agencies listed in HABC's Administrative Plan regarding public notices (see section on opening and closing the waiting list in Chapter 3, "Applying for Admission").

### 1.15.1 Family Outreach

HABC may publicize and disseminate information to make known the availability of housing assistance and related services for eligible families. When HABC's waiting list is open, HABC may publicize the availability and nature of housing assistance for eligible families through, including but not limited to, the:

- Baltimore Sun
- Afro-American Newspaper
- City Paper
- HABC's Website

HABC may extend outreach subject to determination of any minority group reaching 2% of the total population, based on the most recent census or amendment thereto.

To further enhance outreach, HABC may distribute fact sheets to the broadcasting media and may initiate personal contacts with members of the news media, with community service personnel, and with not-for-profit organizations servicing non-English speaking populations. HABC may also utilize public service announcements.

HABC may communicate housing opportunities and eligibility requirements to other service providers in the community, and advise them of housing eligibility factors and guidelines, so that they may refer their clients to HABC for housing assistance.

### 1.15.2 Owner Outreach

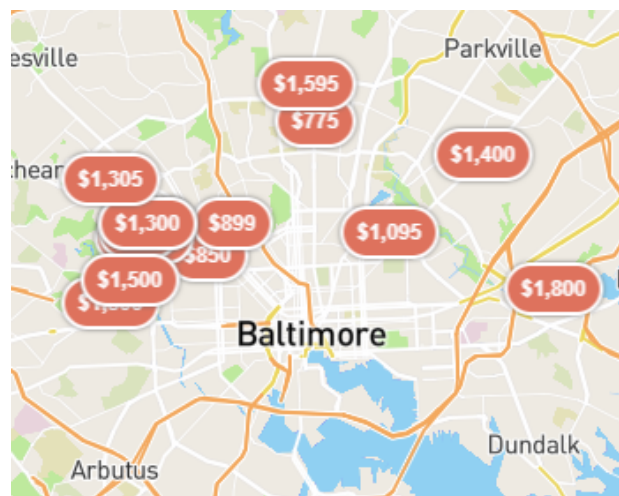
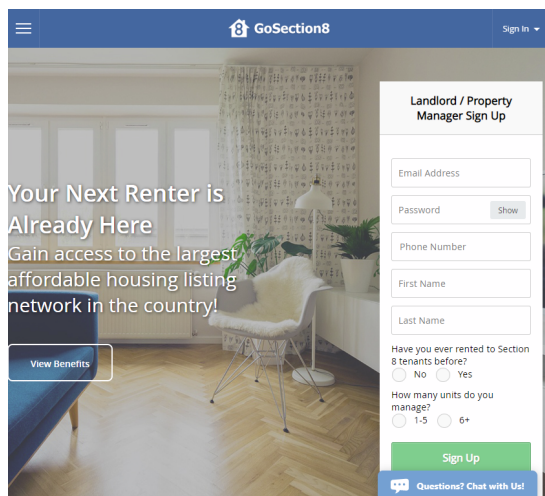
HABC makes a concerted effort to keep private owners informed of legislative and other changes in the tenant-based program, which are designed to make the program more attractive to owners.

HABC encourages owners of decent, safe and sanitary housing units to lease to HCV families.

HABC encourages participation by owners of suitable units located outside areas of concentrations of poverty, minorities, and assisted units.

HABC conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

HABC hosts a free rental property listing service through [www.GoSection8.com](http://www.GoSection8.com) for landlords to list their rental properties for the Housing Choice Voucher Program participants:



These listings are available to prospective participants through a link on HABC's website ([www.HABC.org](http://www.HABC.org)). Searches may be narrowed by using various criteria (location, type of unit, bedroom size of unit, etc.).

Internet-connected terminals accessing this service are available for use by program participants at the Housing Choice Voucher office.



The Housing Authority of Baltimore City HCVP Tenant Based and Project Based Waiting Lists are currently **closed** to new applicants.



### What is the Housing Choice Voucher Program?

The Housing Choice Voucher Program (HCVP) (formerly known as the Section 8 Program) is a federally funded, locally administered rental assistance program that helps low-income families, the elderly and persons with disabilities afford safe, decent housing in the private market. Participants may choose any housing type that suits the needs of their family, as long as the requirements of the program are met.



The staff of HABC initiates personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

HABC participates in community-based organization(s) comprised of private property and apartment owners and managers.

HABC actively recruits property owners with property located outside areas of minority and poverty concentration and applies for exception payment standards if the HABC determines it is necessary to make the program more accessible within the jurisdiction of HABC.

HABC periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide choicer and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the HABC jurisdiction, and given a list of landlords, or other parties, who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.

HABC shall periodically:

- Request the HUD Field Office to furnish a list of HUD-held properties available for rent.
- Develop working relationships with owners and real estate broker associations.
- Establish contact with civic, charitable and neighborhood organizations that have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.
- Explain the program, including equal opportunity requirements and nondiscrimination requirements, as set forth in the Fair Housing Act, the Americans with Disabilities Act, and other housing-related civil rights laws, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.



## Chapter 2: ELIGIBILITY FOR ADMISSION

### 2.1. INTRODUCTION

This Chapter defines HABC criteria for admission and denial of admission to the program. The policy of HABC is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of applicants. HABC will review the information provided by the applicant carefully and without regard to factors other than those defined in this Chapter. Applicants will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by HABC pertaining to their eligibility.

### 2.2. ELIGIBILITY FACTORS

HABC accepts applications only from applicants whose head of household, spouse or co-head, is at least eighteen (18) years of age or older, or an emancipated minor under State law.

To be eligible for participation, an applicant must meet HUD criteria, as well as any permissible additional criteria established by HABC.

HUD eligibility criteria are:

- An applicant must be a "family," as defined in 24 CFR § 5.403.
- An applicant must be income eligible as a family in accordance with 24 CFR § 982.201(b) and 24 CFR Part 5, Subpart F (i.e., below 50% of the jurisdiction's median family income for the designated family size, or a low-income family within the parameters described in Section 2.5 of this chapter).
- An applicant must furnish Social Security numbers (SSN) for all family members. Verification of SSNs are required for all members in accordance with 24 CFR Part 5, Subpart B.
- At least one member of the applicant family must be either an U.S. citizen or have eligible immigration status before HABC may provide financial assistance, in accordance with 24 CFR Part 5, Subpart E.
- No family member has committed drug-related, violent, or other serious criminal activity within the last three years.
- No family member is subject to a lifetime registration requirement under a State sex offender registration program (Tier III), in accordance with 24 CFR § 982.553(a)(2)(i).

Initial admissions eligibility is determined based on the information supplied by the applicant during the eligibility process. The application will be reviewed for completeness and the data contained in the application will be reviewed for consistency (i.e., responses on the application are compatible with the definitions of the criteria used to determine program eligibility).

HABC emphasizes the fact that the initial application review is made only to place and rank the applicant on the waiting list. Eligibility factors will not be reviewed before the applicant is placed on the waiting list.

Final determination of eligibility is made after the information provided on the application has been verified and updated to reflect the applicant's current status. The final determination that is required prior to program admission must be conducted within sixty (60) days of voucher issuance.

Changes to an application may be updated online through the HCVP Applicant Portal (<https://baltimore.applicants4housing.com>).

### 2.3. FAMILY COMPOSITION

To be eligible for admission, the applicant must qualify as a "family." The definition of "family" is made regardless of actual or perceived sexual orientation, gender identity, or marital status. *Family* as defined by HUD includes, but is not limited to the following:

- A family with or without a child or children (if a child is temporarily absent from home due to placement in foster care, the temporary absence shall not be considered in determining the family composition and voucher size if the absence is presumed to be for less than 180 days);
- An elderly family;
- A non-elderly person with a disability family;
- Any remaining eligible member(s) of an applicant family who was listed on the initial HCVP application;
- The remaining member of a participant family who was listed on the lease;
- A one-person household who is not elderly, displaced, or a person with disabilities;
- Two or more elderly persons or persons with disabilities living together;
- One or more elderly persons or persons with disabilities who have a live-in aide;

- Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.
- A group of persons consisting of two or more elderly persons or persons with disabilities living together, or one or more elderly person or person with disabilities living with one or more live-in aides is a family.

HABC determines if any other group of persons qualifies as a “family”. A single person family may be:

- An elderly person;
- A displaced person;
- A person with a disability. Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence;
- Any other single person.

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home and is not intended to artificially enlarge the space available for other family members.

### 2.3.1 Household

Household is a broader term that includes additional people who, with HABC’s permission live in the same unit (i.e. live-in aides, foster children, foster adults, etc.).

### 2.3.2 Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law. HABC does not permit a parent or legal guardian to co-sign any document on the applicant’s behalf if the head of household is under eighteen (18) and, under State and local law, does not have the legal capacity to enter into a legally binding contract.

Emancipated minors who qualify under State law will be recognized as head of household if there is a court order declaring them as an emancipated minor. If there is no court order, HABC will consider other evidence of emancipation recognized under Maryland state law such as, for example, a person under eighteen (18) years old who is married or serving in the military.

A family may designate an elderly member or a member who is a non-elderly person with a disability as head of household solely to qualify the family for the allowance available for elderly persons and non-elderly persons with disabilities, provided that the person is at least partially responsible for paying the rent.

### **2.3.3 Spouse of Head of Household**

Spouse means the marriage partner of the Head of Household.

For proper application of the Non-Citizen Rule, the definition of spouse is the marriage partner who, in order to dissolve the relationship would have to be divorced. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

### **2.3.4 Co-Head**

The co-head is an individual in the household who is equally responsible with the head of household for ensuring the family fulfills all its responsibilities under the Program, but who is not the spouse. A household may have either a spouse or co-head, but not both. A co-head never qualifies as a dependent and may not retain or receive a voucher while listed as a co-head on someone else's voucher. Co-heads must separately apply when the waiting list is open to receive their own, separate assistance.

### **2.3.5 Adult / Other Adult**

An adult is an individual who is eighteen (18) years of age or older. Other adult means a family member, other than the head of household, spouse or co-head, who is eighteen (18) years of age or older. Foster adults and live-in aides are NOT considered other adults.

### **2.3.6 Elderly Person**

An elderly person, as defined by HUD, is a person who is at least sixty-two (62) years of age.

### **2.3.7 Elderly Family**

An elderly family is one in which the head, spouse, co-head, or sole member is an elderly person. Elderly families qualify for the elderly family allowance and medical allowance as described in Chapter 6, Section 6.3.2.

### 2.3.8 Non-Elderly Person with a Disability Family

A non-elderly person with a disability family is a family whose sole member, head of household, co-head, or head of household's spouse is a person with a disability who is under the age of sixty-two (62).

### 2.3.9 Live-in Aides

A household may include a live-in aide provided that such live-in aide:

- Is eighteen (18) years of age or older,
- Is essential to the care and well-being of an elderly person, or a person with a disability in the household as verified in writing by a health professional;
- Is not obligated for the support of the person(s);
- Would not be living in the unit except to provide care for the person(s); and
- Meets all applicable eligibility criteria.

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

- The income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
- Live-in aides are not subject to Non-Citizen Rule requirements.
- Live-in aides may not be considered as a remaining member of the participant family. Once the HCVP participant's assistance stops, the housing assistance payments stop for the household. Live-in aides will not be covered under HCVP assistance.
- Participants may not convert a live-in aide to a household member because such a conversion would allow individuals to circumvent the application process and the Housing Choice Voucher waiting list.
- If approved, only the live-in aide can reside in the unit with the applicant household. No other member of the live-in aide's family can live in the assisted unit.

Relatives are not automatically excluded from being live-in aides; however, requests to add relatives as live-in-aides must be approved by the Senior Vice President for HCVP, or designee. To be a live-in aide, relatives must meet all of the elements in the live-in aide definition described above. In addition, the prohibition against converting live-in aides to household members includes relatives approved as live-in aides.

Household members already listed on the lease who will remain in the unit will not be removed from the lease for purposes of becoming a live-in aide. Household members removed from the voucher may not be added back to the household as a live-in aide for a period of 12-months from

the date of removal, unless approved by the Senior Vice President for HCVP, or designee. Prior household members, who are being added back to the household as a live-in aide, after the required timeframe, will require HABC approval.

A live-in aide may only reside in the unit with the approval of HABC. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker, who must certify that a live-in aide is needed for the care of the family member who is elderly or a person with a disability.

After HABC approves the addition of a live-in aide on behalf of an applicant or participant, the applicant or participant must submit a specific live-in aide's name and information for approval by HABC.

Any person proposed as a live-in aide, including relatives, must be approved by the owner of the unit and pass HABC's eligibility and screening criteria. HABC has the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" described in this Chapter.

HABC will require the live-in aide to execute an acknowledgment form in which the live-in aide agrees to abide by the terms and conditions of HCVP's family obligations. By signing the acknowledgement form, the live-in aide also agrees that the status as a live-in aide does not make the person a HCVP participant or give the person rights as a HCVP participant. Live-in aides who are denied admission are not eligible to request informal reviews or hearings.

At any time, HABC will refuse to approve a particular person as a live-in aide or may withdraw such approval if ([24 CFR § 982.316](#)):

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related, violent, or other serious criminal activity; or
- The person currently owes rent or other amounts to HABC or to another PHA in connection with HCV or public housing assistance under the 1937 Act.

### 2.3.10 **Guests**

A guest is defined as a person temporarily staying in the unit with the consent of the participant or other member of the household who has express or implied authority to so consent on behalf of the participant and is not considered part of the applicant household. For more information on guests, please see [Chapter 15, Section 15.4.8](#).

Guests should not remain in a unit in excess of fourteen (14) consecutive days, or a total of ninety (90) days in a 12-month period without HABC approval. For any guest who has income and who

remains in the unit for longer than the specified time, HABC will include that income in the calculation of total family income. HABC will determine the effective date for the participant's annual, biennial, or triennial review, whichever applies.

Guests who remain in a unit beyond this period are considered an unauthorized occupant, which constitutes a violation of Family Obligations (for more information on Family Obligations, see [Chapter 15, Section 15.7](#)) and may result in the termination of assistance. **Live-in aides may not have overnight guests.**

Determination of unauthorized status may include a combination of the following:

- Absence of evidence of any other address will be considered verification that the visitor is a member of the household.
- Statements from neighbors and/or the landlord will be considered in making the determination.
- Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.
- Investigations completed by HABC, may result in the determination of unauthorized occupants.

### 2.3.11 Visitors

A visitor is defined as a person temporarily visiting the unit with the consent of the participant or other member of the household who has NO express or implied authority to so consent on behalf of the participant. Visitors are not considered a part of the applicant household. Please see [Chapter 15, Section 15.4.9](#) for more information.

Any person, who has been in the unit more than fourteen (14) consecutive days without HABC approval, or a total of ninety (90) days in a 12-month period, will be considered as to be living in the unit as an unauthorized household member.

Determination of the unauthorized status may include a combination of the following:

- Absence of evidence of any other address will be considered verification that the visitor is a member of the household.
- Statements from neighbors and/or the landlord will be considered in making the determination.
- Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

- Investigations completed by HABC, may result in the determination of unauthorized occupants.

### 2.3.12 Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, HABC makes the final decision taking into consideration the following factors, in order:

- Which family member applied as the head of the household;
- Which family unit retains the children or any disabled or elderly members;
- Restrictions that were in place at the time the family applied;
- The role of domestic violence in the split; and/or
- Recommendations of Social Service Agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either family, or both families do not provide the documentation, HABC may deny their placement on the waiting list for failure to supply information requested by HABC.

### 2.3.13 Multiple Families in the Same Household

If two or more families living together apply as a family unit, they will be treated as a family unit.

### 2.3.14 Joint Custody and/or Temporary Guardianship of Dependents

Dependents subject to a joint custody arrangement that live with one person at least 51% of the time will be considered members of the household. "51% of the time" is defined as one hundred and eighty-three (183) days of the year, which do not have to run consecutively.

A self-certification is required of families who claim joint custody or temporary guardianship.

When both parents are on the Waiting List and both are trying to claim a child, the parent whose address is listed in the child's school records is the one allowed to claim the school-age child as a dependent.

In cases in which parents have joint custody of a child or children (50/50 custody), HABC grants the child deduction to the household of record provided by Baltimore City Public Schools or a private school. If the child is residing outside of HABC's jurisdiction, due to joint custody, the principal



household of record provided by the applicable school system is used to determine family composition, living arrangements and the standard deduction.

If the child is not enrolled in school, HABC will rely upon official records from daycare providers, tax records, and insurance providers such as Medicaid.

When more than one participant (already on the program) claims the same dependent(s) as a family member, the participant with primary custody at the time of the initial examination or reexamination will be able to claim the dependent(s).

Contested custody will be substantiated with proof of residency from the following sources:

- Court orders;
- Government benefits verification;
- IRS Income Tax Returns showing which family has claimed the dependent for income tax purposes;
- School records; and
- Other credible documentation.

HABC may make an exception to the Occupancy Standard and allow two assisted household's space for the same dependent where there is joint and physical custody; however, HABC will allow only one household to claim the dependent deduction. Exceptions to this policy will be reviewed on a case by case basis.

### 2.3.15 Foster Children and Foster Adults

Foster children are children approved by a state placement agency to live with the household. Foster adults are unrelated to the participant family, who are approved by a state placement agency to live with the household.

Foster children and foster adults who are living with an applicant or participant family are considered household members but not family members and therefore do not have residual rights to the voucher.

## 2.4. INCOME LIMITATIONS

In accordance with MTW guidelines, HABC will ensure that at least 75% of the program's Housing Choice Vouchers are issued to eligible families with income that does not exceed 30% of the area median income (AMI) in HABC's jurisdiction. To be income eligible the applicant must have an

annual income at the time of admission that does not exceed the following income limits established by MTW:

- A very low-income family such that the family income does not exceed 50 percent of the area median income for the area, adjusted for smaller and larger families, as determined by HUD.
- A low-income family such that the family income does not exceed 80 percent of the area median income for the area, adjusted for smaller and larger families, as determined by HUD as:
  - “continuously assisted” under the 1937 Housing Act;
  - physically displaced by rental rehabilitation activity under 24 CFR part 511;
  - a non-purchasing family residing in a HOPE 1 or HOPE 2 project;
  - a non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173;
  - displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

To determine if the family is income eligible, HABC compares, at the time of admission, the annual income of the family to the applicable income limit for the family's size.

Families whose annual income exceeds the income limit will be denied admission and may request an informal review.

The applicable income limit used for initial issuance of a voucher is the highest income limit within the jurisdiction where the voucher will be used.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

## 2.5. **MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]**

The applicant and all members of the applicant’s household must provide the complete and accurate Social Security number (SSN) assigned to each household member, and the documentation necessary to verify each Social Security number.

Applicants are required to provide **verification** of Social Security numbers for all family members within ninety (90) calendar days of voucher issuance, if they have been issued a number by the

Social Security Administration. This requirement does not apply to non-citizens who do not contend they have eligible immigration status.

The Social Security number requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Individuals exempt from providing a Social Security number are:

- Individuals who do not have eligible immigration status; and
- Participants age sixty-two (62) years and older as of January 31, 2010, whose initial determination of eligibility began before January 31, 2010.

Participants who have previously disclosed a valid Social Security number during a recertification process will not be required to resubmit a Social Security number unless they are issued a new Social Security number by the Social Security Administration (SSA).

## 2.6. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, at least one family member must be a U.S. citizen, national or non-citizen with eligible immigration status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD and [42 U.S.C. § 1436\(a\)](#).

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined. HABC will verify the citizenship / immigration status of applicant's when other eligibility factors are determined.

- **Mixed Families.** An applicant family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Applicant families that include eligible and ineligible individuals are called "mixed families." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.
- **All members ineligible.** Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and may request an informal hearing.
- **Non-citizen students.** As defined by HUD in the non-citizen regulations at 24 CFR 5.522 non-citizen students are not eligible for assistance. HABC will establish and verify that an applicant is a non-citizen student before denying eligibility.

- Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

### 2.6.1 Verification of Status before Admission

HABC will not provide assistance to families prior to the verification of eligibility for the individual, or at least one member of the family pursuant to this section. Applicants must submit required evidence of citizenship or eligible immigration status.

## 2.7. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552]

All applicants will be processed in accordance with the MTW Agreement.

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by HABC, including Form HUD-9886 or HABC equivalent [\(24 CFR § 982.552\(b\) \(3\)\)](#).

Applicants may not be admitted to the program if any member of the family has been evicted from federally assisted housing in the last five (5) years [\(24 CFR § 982.552\(c\) \(1\) \(ii\)\)](#).

HABC will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program [\(24 CFR § 982.552\)](#):

1. The family must not have violated any family obligation (see [24 CFR § 982.551](#)) during a previous participation in the HCV program [\(24 CFR § 982.552\(c\) \(1\) \(ii\)\)](#), or if for three years prior to final eligibility determination any member of the applicant household has been evicted from federally assisted housing for drug-related criminal activity [\(24 CFR § 982.553\(a\)\(1\)\)](#). However, HABC may admit the household if it is determined that:
  - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program (documentation must be provided and approved by HABC); or
  - That the circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned).
2. The family must pay in full any outstanding debt owed to HABC or another PHA as a result of prior participation in any federal housing program within sixty (60) days of HABC notice to repay.

3. The family must be in good standing regarding any current payment agreement made with another PHA for a previous debt incurred, before HABC will allow participation in its HCV program.

HABC will check criminal history for all members, age fourteen (14) years and older, in the household to determine whether any member of the family has violated any of the prohibited behaviors as described in the "Denial or Termination of Assistance" chapter. The criminal history check will be performed at initial eligibility determination and at every re-examination thereafter.

If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, HABC will deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See [Program Integrity Addendum](#)) If an applicant commits fraud, the applicant and the applicant's family may be prohibited from receiving future rental assistance for a period of up to 10 years and may be subject to prosecution by the local, state, or Federal prosecutor, which may result in being fined up to \$10,000 and/or serving time in jail.

Debts owed to HABC and information regarding termination from a federally assisted housing program will be maintained in the Enterprise Income Verification (EIV) system for a period of up to ten (10) years from the end of the household's participation date.

## 2.8. **SCREENING PROCEDURES**

All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, disability, sexual orientation or gender identity, or source of income, and not to violate a right to privacy.

HABC will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

HABC will not screen family behavior or suitability for tenancy. HABC will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HABC approval of the tenancy, HABC will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including but not limited to such factors as:

1. Payment of rent and utility bills.

2. Caring for a unit and premises.
3. Respecting the rights of other residents to the peaceful enjoyment of their housing.
4. Compliance with all other conditions of tenancy.

HABC will give the owner upon request:

1. The family's current and prior address as shown in HABC records; and
2. The name and address of the landlord (if known by HABC) at the family's current and prior address.

HABC will advise families on how to file a complaint if they claim that an owner has discriminated against them. HABC may advise the family to make a fair housing complaint. HABC may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

#### **2.8.1 Enterprise Income Verification (EIV) Screening**

HABC will conduct EIV screening for new applicants. An EIV Existing Tenant Search Record will be conducted on minor and adult members to identify applicants who may be receiving federal rental assistance. If the EIV Existing Tenant Search Record reveals that an applicant may be receiving another federal housing program subsidy, HABC will give the applicant an opportunity to explain any circumstances relative to his/her receiving another federal rental assistance subsidy. HABC may contact the respective Public Housing Agency (PHA) or owner to confirm the individual's program participation status before admission. HABC will not provide assistance to an applicant until confirmation is obtained that there will be no duplicate rental assistance.

HABC will conduct EIV screening on all adult household members to identify former residents of federally assisted rental programs who voluntarily or involuntarily left the program and have a reportable unfavorable status and/or owe money to a PHA or landlord as a result of participation in a HCV Program.

HABC will retain the search results with the application along with any documentation obtained as a result of contact with the applicant and the PHA and/or owner at the other location.

#### **2.8.2 Debt Screening**

HABC will conduct a debt screening on all members age eighteen (18) years and older.

Previous outstanding debts to HABC or any public housing authority resulting from a previous tenancy in public housing or participation in the HCV Program must be paid in full prior to admission. No payment agreement will be accepted. The applicant will be denied unless the

applicant pays the debt in full within sixty (60) calendar days from the date HABC notifies the applicant of the debt, unless HABC determines that mitigating circumstances exist or the debt cannot be collected under state law. A determination as to whether the debt may be collected shall be made in consultation with HABC's Office of Legal Affairs.

### ***2.8.2.1 Denial for Debt to HABC***

HABC may deny assistance to an applicant:

1. If the applicant family has current debt to HABC or another PHA, or a judgment against them in connection with participation in the HCVP or any other public housing assistance under the 1937 Act, for amounts paid to a HCVP landlord or owner under a HAP contract for rent, damages to the unit or other amounts owed by the applicant family under a lease and the amount is not fully repaid within sixty (60) calendar days from the date HABC notifies the applicant of the debt; and/or
2. If the applicant family has breached a repayment agreement with HABC or another PHA entered in connection with participation in the HCVP or any other public housing assistance under the 1937 Act, and the amount is not fully repaid within sixty (60) calendar days from the date of the screening appointment.

### ***2.8.2.2 Mitigating Factors***

Review and approval by the Senior Vice President of HCVP or designee, is required when admission is based on mitigating factors. HABC may consider the following factors when considering denial of assistance related to debt screening:

1. The effects that denial of assistance may have on other members of the family who were not involved in the action or failure to act.
2. Circumstances which led to the creation of the debt (i.e. death of a household member, layoff, medical expenses, etc.).
3. Current financial circumstances.
4. The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, sexual assault or stalking.

## 2.9. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment. The voucher size must be consistent with the family composition and may be altered prior to lease up.

## 2.10. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to Non-Citizen Status. See "Complaints and Appeals" chapter for additional information about informal reviews and informal hearings.

## 2.11. PROHIBITED ADMISSIONS CRITERIA [24 CFR § 982.202(b)]

Admission to the program may not be based on:

1. Where a family lives prior to admission to the program. However, HABC may adopt a residency preference (see Chapter 4) to target assistance for families meeting specific criteria.
2. Where the family will live with assistance under the program.
3. Family characteristics, examples include:
  - Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.
  - Discrimination because a family includes children (familial status discrimination).
  - Discrimination because of age, race, color, religion, sex, or national origin.
  - Discrimination because of a disability.
4. Whether a family decides to participate in a family self-sufficiency program.
5. Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.



## 2.12. VIOLENCE AGAINST WOMEN ACT (VAWA)

Victims of Domestic Violence, Dating Violence, Sexual Assault and/or Stalking (Public Law 109-162, Section 606)

In compliance with the Violence Against Women Act of 2005 (VAWA 2005) and the VAWA Reauthorization Act of 2013 (VAWA 2013), collectively (VAWA), an individual's status regardless of sex, gender identity, or sexual orientation, as a victim of domestic violence, dating violence, sexual assault or stalking will not be the basis for denial of program assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission (See Chapter 15, Section 15.11).

## Chapter 3: APPLYING FOR ADMISSION

### 3.1. INTRODUCTION

The policy of HABC is to ensure that all applicants are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance and for placement and denial of placement on the waiting lists.

### 3.2. OVERVIEW OF THE APPLICATION TAKING PROCESS

The application process will involve two phases, the initial application and the eligibility determination. These phases are described in the following sections (3.2.1 and 3.2.2) in further detail.

#### 3.2.1 Initial Applications

The first phase of the application process is the initial application for assistance. The purpose of this phase is to allow HABC to preliminarily assess family eligibility and to determine placement on waiting lists. Therefore, the applicant must provide an appropriate and complete application.

To provide specific accommodations for persons with disabilities, the information may be taken by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

Initial applications may not require an interview. The information on the application will not be verified until the applicant has been selected for eligibility determination. Eligibility will be determined during the second phase when the full application process is complete, and information is verified.

#### 3.2.2 Eligibility Determinations

The second phase of the application process is eligibility determination. At this time, HABC verifies that the information provided to HABC by the applicant is current, and that all HUD and HABC eligibility factors are current in order to determine the applicant's eligibility for the issuance of a voucher. The household is not eligible for assistance until a final eligibility determination has been made.

Eligibility factors (see Chapter 2, Section 2.2 for additional factors) to be verified:

1. Applicant name indicates the designated head of household;
2. Family composition in order to determine the number of bedrooms for which the family qualifies under HABC's occupancy standards;
3. Local preference (see Chapter 4, Section 4.3);
4. Annual income (including assets and asset income);
5. Social Security numbers for all family members;
6. Information reported in applicant screening;
7. Citizenship or eligible immigration status;
8. Criminal background;
9. Prior debt to a federally and/or state assisted housing program;
10. Special Accommodation Needs;
11. Qualification for Local Preferences requested (see Chapter 4, Section 4.3)

### 3.3. OPENING THE WAITING LIST

HABC will utilize the following procedures for opening the waiting list.

When HABC opens the waiting list, HABC will provide notice as described in Chapter 1, Section 1.15 of this plan.

The notice will contain:

1. The dates, times, and the locations where families may apply.
2. The duration of time for which the Waiting List will remain open.
3. The programs (e.g., Housing Choice Vouchers, Project-Based) and purposes (e.g., income targeting, special categories) for which applications will be taken.
4. A brief description of the individual programs and purposes.
5. A statement that public housing residents must submit a separate application if they want to apply for HCV.
6. Limitations, if any, on those families who may apply.
7. Procedure for special accommodation applicants.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes HABC's address and telephone number, and how to submit an application. If applicable, additional information on eligibility requirements, and the availability of local preferences will be identified.

Upon request from a person with a disability, HABC will identify one of the following agencies that can provide appropriate accommodation service:

- Baltimore Neighborhoods Incorporated (BNI)
- Community Housing Association
- First Call for Help
- Department of Disabilities
- HABC Division of Family Support Services
- Hearing and Speech Agency
- Making Choices for Independent Living (MCIL)
- Maryland Center for Community Development
- Maryland Disability Law Center (MDLC)
- Maryland Mental Health Partners
- Maryland Public Mental Health System
- Maryland Relay Center
- Maryland Technical Assistance Program
- Mayor's Commission on Disabilities
- Medical Rehabilitation Services
- MTA Bus/Metro/Call-a-lift
- MTA Mobility
- National Federation of the Blind
- Volunteers for Medical Engineering

The waiting list shall be open for the period necessary to cover projected turnover and new allocations over the next twelve (12) months. HABC may keep the waiting list partially open only for particular preferences. The decision to keep a waiting list partially open will be made by the Executive Director and the Board of Commissioners and based on need.

#### 3.4. CLOSING THE WAITING LIST

HABC may close the waiting list (i.e., stop accepting applications) if there are enough applicants to fill anticipated openings for the next twelve (12) months. The waiting list will not be closed if it would have a discriminatory impact inconsistent with applicable civil rights and fair housing laws and regulations.

HABC may keep the waiting list partially open for particular preferences while the waiting list is closed to the general public. The decision to keep the waiting list open for particular preferences will be made by the Executive Director without the approval of the Board of Commissioners and

advertised in accordance with Chapter 1 of this Administrative Plan. HABC will announce the closing of the waiting list by public notice as described in Chapter 1, Section 1.15 of this plan.

During the time the waiting list is closed, HABC will discard any applications received that do not meet the criteria of the preference(s) for which the waiting list remains open.

### 3.5. APPLICANT STATUS WHILE ON WAITING LIST

Applicants are required to update any changes pertaining to their application or applicant status, including but not limited to household composition, address, and income online via the "Applicant Portal." The Applicant Portal may be accessed by computer, smart phone, tablet, or via the kiosks physically located at HABC on 1225 W. Pratt Street, Baltimore, MD 21223 by visiting <https://baltimore.applicants4housing.com>.

Changes in an applicant's circumstances while on the waiting list may affect the applicant's position on the waiting list (i.e. change in preference). When an applicant reports a change that affects placement on the waiting list, the waiting list will be updated accordingly.

Applicants are required to respond within ninety (90) calendar days to all notifications from HABC to update information on their application and/or to determine if the applicant is still interested in receiving assistance. If communication sent by HABC to an applicant is returned with a forwarding address, HABC will resend the notification to the new address.

#### 3.5.1 **Removal from the Waiting List**

HABC will remove the names of applicants who do not respond in a timely manner to a communication by HABC and cannot be reached by email, mail, telephone, or via the contacts listed on their application. Failure to respond will result in the applicant being removed from the waiting list. No further action will be taken. The applicant's failure to respond prevents HABC from making an eligibility determination; therefore, no informal review is required. When an applicant is removed from the waiting list for failure to respond, HABC may reinstate the applicant if the lack of response was due to HABC error, or in response to an applicant's reasonable accommodation request (indicating that the failure to respond was due to a disability) or due to circumstances beyond the applicant's control.

HABC will also remove an applicant from the waiting list upon request by the applicant. In such cases, no informal review is required.

### 3.5.2 Notification of Eligibility (or Ineligibility) Process

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

If the family is determined to be ineligible based on the information provided in the application, HABC will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s) they are ineligible, and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation (see [Chapter 18](#)).

### 3.6. TIME OF SELECTION

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements and special purpose voucher categories.

When there is insufficient funding available for the family at the top of the list, HABC will not admit any other applicant until funding is available for the first applicant.

### 3.7. APPLICATION COMPLETION AND INTERVIEW

The full application for housing assistance will be completed during the eligibility interview. Applicants will be required to furnish complete and accurate information as requested by the interviewer during the interview. HABC will obtain the information necessary to screen applicants for eligibility and process their applications.

All preferences claimed on the application or while the family is on the waiting list will be verified during the application completion and interview process. The qualification for a preference must exist at the time the preference is claimed and at the time of verification, because claim of a preference determines placement on the waiting list. If a preference is denied, the applicant will be re-sequenced on the waiting list in accordance with their verified preference status.

After the preference is verified, the applicant will be required to:

- Complete and sign the full application. Applicants may request a reasonable accommodation for completion of an application. HABC staff will interview the applicant to review the information on the full application form.
- Complete and sign all HABC required forms.

### 3.7.1 Requirement to Attend Interview

Applicants are required to attend an interview, unless a reasonable accommodation has been requested and approved. Applicants will be sent an eligibility appointment letter when they reach the top of the waiting list. The letter scheduling the interview will identify the documents the applicant is required to bring to the interview and the factors to be verified.

During the interview, HABC will verify applicant information, conduct eligibility screening and then make a determination about the applicant's eligibility for assistance. Screening will be carried out in accordance with the policies in this Administrative Plan.

HABC utilizes the application interview to discuss family 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 to provide to the family information about the application process, verification process, and other HABC services or programs, which may be available.

All adult household members are required to attend the interview and sign the housing application. Exceptions may be made for verified students attending school out of state and for whom attendance would be a hardship.

If HABC is unable to reach the applicant, or the applicant misses two scheduled appointments, HABC will withdraw the application from the waiting list.

A reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices, or to have the interview conducted at a location other than HABC's offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability (see [Chapter 1, Section 1.10](#)).

The head of household, spouse, and co-head regardless of age, and all adult members must sign the HUD Form 9886 "Authorization for Release of Information / Privacy Act Notice" or HABC equivalent, the application and all supplemental forms required by HABC, the declarations and consent forms related to citizenship/immigration status and any other documents required by HABC. Applicants will be required to sign specific verification forms for information not covered by the HUD Form 9886 or HABC equivalent. Failure to sign required documents will be cause for denial of the application for failure to provide necessary certifications and releases as required by HABC.

Every adult household member must sign the application and a consent form to release criminal conviction records and to allow HABC to receive records and use them in accordance with HUD/MTW regulations.

If HABC determines at, or after the interview, that additional information or documentation is needed, HABC will request the documentation or information in writing. The applicant will be given ten (10) business days to supply the information. If the information is not supplied in this time period, HABC will provide the applicant a notification of denial for assistance (subject to reasonable accommodations). The applicant may be offered an opportunity to request an informal review.

If an application is denied due to failure to attend the interview, the applicant will be notified in writing that the application has been withdrawn from the waiting list. Instructions to re-apply when the waiting list opens, will be provided. The applicant will also be offered an opportunity to request an informal review (see [Chapter 18](#)).

### 3.8. VERIFICATION

The applicant must provide information needed by HABC to confirm eligibility and to determine the appropriate level of assistance. An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowance, family composition or rent will result in the denial of admission.

Information provided by the applicant will be verified, using the verification procedures as described in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than sixty (60) days old at the time of voucher issuance.

#### 3.8.1 Preference Verification

As part of the screening process, where applicable, HABC will identify the admissions preference under which the applicant was selected from the waiting list. HABC will verify that the applicant meets the claimed admissions preference.

Where an applicant was selected from the waiting list under a certain preference and where the applicant cannot verify eligibility for such preference, HABC will return the applicant to the waiting list with no preference. The applicant's position on the waiting list will be re-sequenced to reflect the revision to the preference status. The applicant will retain the original date and time of the application.



### 3.9. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is complete, HABC will make a final determination of eligibility. This decision is based upon information provided by the family, the verification of the information by HABC, and the current eligibility criteria in effect. If the family is determined to be eligible, HABC will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and orientation to the housing program.

Applicants will be denied assistance and removed from the waiting list for the following reasons:

- Determined ineligible as a result of the initial phase of determination.
- The applicant does not respond to the requested information or cannot provide the information necessary for HABC to verify the applicant's status for program selection within a ten (10) business day period. HABC may grant an exception where the applicant's failure to respond is caused by the applicant's disability, any circumstances beyond the applicant's control, or other good cause as determined by HABC.
- The applicant is no longer eligible for the tenant-based program as a result of program selection verification that is conducted within sixty (60) calendar days of anticipated voucher issuance. (Note: The applicant is not removed from the waiting list based on preference change, but the preference will be changed and the application re-sequenced accordingly).
- HABC determines that fraud has been committed in completing the application.
- The applicant has refused offers of assistance under the voucher program.
- The applicant is a current participant in HABC's voucher program. However, HABC may not take any of the following actions because an applicant has applied for, or refused other housing assistance:
  - Refuse to list the applicant on HABC's waiting list for the remaining type of housing assistance.
  - Deny admission preference for which the applicant is otherwise qualified.
  - If an applicant has applied for and receives assistance, but still has applications for other programs under the same type of assistance, they will be removed from those waiting lists for which they are already receiving the same type of assistance.

### 3.10. SPECIAL CATEGORIES

The Executive Director of HABC is authorized to create special categories of applicants and/or program participants who apply for a voucher in order to meet special circumstances (e.g. consent decree requirements, legal opinions, etc.), and to develop and implement specific rules for accepting and processing applications from individuals identified as members of these special categories.

Vouchers or other assistance provided to Special Category participants may be restricted in their use. Examples of such restrictions may include use at specific sites or for certain HABC programs (such as the Homeownership Program).

Non-regulatory requirements may be modified for applicants and/or program participants designated as members of a "Special Category" group with homeownership rights.

### 3.11. SATISFACTION OF AN APPLICATION FOR HOUSING ASSISTANCE

Applications for housing assistance under the Housing Choice Voucher Program (tenant-based or project-based/MOD) shall be considered complete and satisfied upon an applicant's acceptance of a voucher or leased housing subsidy assistance from HABC.

If an application indicates a request for consideration for both Housing Choice Voucher Program sub-programs (tenant-based or project-based/MOD) and the applicant is offered and refuses assistance under one of these sub-programs but wishes to remain active on the waiting list for the other sub-program, then the applicant shall be removed from the waiting list for the sub-program refused but shall remain active on the waiting list for the other sub-programs.

If, during the eligibility process, an applicant's voucher for any sub-program is denied for cause, then the application shall be withdrawn from all Housing Choice Voucher program waiting lists.

## Chapter 4: ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

### 4.1. INTRODUCTION

It is HABC policy and an MTW requirement that families are placed on and selected from the waiting list in the proper order. Following such a practice will ensure that an offer of assistance is not delayed to any family or made to any family prematurely. By maintaining a viable waiting list, HABC will be able to perform the activities which will ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

HABC maintains two waiting lists for admissions to its Housing Choice Voucher program, and a separate waiting list for its low-income public housing program.

1. Tenant-Based Voucher (TBV) waiting list is established for applicants, if determined eligible, to be issued vouchers. The TBV waiting list will be maintained until expiration or exhaustion, and a new list is established.
2. Project-Based Voucher (PBV) waiting list for applicants, if determined eligible, to be placed in designated project-based units approved by HABC. The PBV waiting list will open and close based upon the need for an applicant pool based on project preferences, unit size, or Uniform Federal Accessibility Standards (UFAS) designation.

Except under special circumstances (as discussed later in this section), admissions are made from the waiting list in accordance with the criteria and process described in Chapter 7 of this Administrative Plan.

**Any reference to the revised preferences that are not consistent with Chapter 4 will not be applicable. Revised changes to preferences in Chapter 4 should be reflected throughout the Plan and should be used in verification procedures as described in Chapter 7.**

It is important to keep in mind the three underlying concepts for managing the waiting list:

- The waiting list uses a preference system for ranking applicants selected from the waiting list.
- Preferences are local criteria approved by the Board to give priority to certain special need populations. A preference is not a right and may be changed upon Board action. Any such change in preference criteria will result in an immediate change in the waiting list order.
- Only certified eligible applicants are selected from the waiting list based on applicant ranking. It is possible that a lower ranked applicant may be issued a voucher if the higher

ranked applicants are not yet certified eligible (i.e., await third party verification, or re-scheduled after missing an interview appointment).

#### 4.2. WAITING LIST

HABC uses a single waiting list for admission to its Housing Choice Voucher tenant-based assistance program. Except for Special Admissions, applicants will be selected from HABC's waiting list in accordance with policies, preferences and income targeting requirements defined in this Administrative Plan. HABC will maintain information that permits proper selection from the waiting list. The waiting list contains the following information for each applicant listed:

- Applicant name
- Family size
- Family unit size
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household
- Annual (gross) family income
- Targeted program qualifications

#### 4.3. ORDER OF SELECTION

HABC's method for selecting applicants from a preference category provides a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the Administrative Plan and HUD Guidelines.

##### 4.3.1 **Local Preferences**

Local preferences will be used to select families from the waiting list. The waiting list will be organized by local preference. Each local preference category will be organized by the prescribed ranking established at the time the waiting list was opened.

HUD Notice PIH 98-64 eliminated the requirement for public notice and a period for public comment when changing the HABC preference system. However, HABC must inform all applicants about available preferences and must give applicants an opportunity to show that they qualify for available preferences. If it is impractical to do so because of the length of the waiting list, HABC may provide notification to fewer than all applicants at any given time.

An applicant will not be granted any local preference if:

- Any member of the family has been evicted from housing assistance under a 1937 Housing Act program during the past three years because of drug-related criminal activity.
- If an applicant makes a false statement in order to qualify for a local preference.

Local preferences will be numerically ranked, with number 1 being the highest preference, in the following order:

#### 4.3.2 Preference 1 – Referrals Only

A family currently in an HABC Public Housing unit where one or more family members has a disability and that family member has an immediate need for an accommodation related to that disability.

A family that is in need of emergency relocation due to municipal action or pending HABC land disposition.

Intimidated Victim, Intimidated Witness (IVIW) in need of immediate relocation based on the health and safety of one or more household members.

A family in need of replacement housing as a result of a natural disaster.

#### 4.3.3 Preference 2

1. **Families with Children** – a household with at least one family member under eighteen (18) years of age;
2. **Non-Elderly person with disabilities household** – a one or two adult household where no member is over sixty-two (62) years of age and at least one member has a disability.
3. **Senior household** – a one or two adult household with at least one family member over sixty-two (62) years of age and no member is under eighteen (18) years of age.
4. **Other Family** – one or more adults where the head, co-head, or spouse do not have a disability and no family member is under eighteen (18) years of age or over sixty-two (62) years of age. The household may include an adult family member with disabilities.

## **Families with Children, Non-Elderly Persons with Disabilities, and Senior Household Preferences**

HABC will grant preference to Families with Children, Non-Elderly Persons with Disabilities, and Senior households over Other Family households, unless Other Family households have a member that is of veteran status, an adult family member with disabilities, aged-out foster care youth, or verified unaccompanied homeless youth.

For purposes of this preference, aged-out foster care youth and verified unaccompanied homeless youth is defined as unaccompanied youth under twenty-five (25) years of age, or families with children and youth who do not meet any of the other HUD categories of homelessness but are homeless under other federal statutes, have not had a lease and have moved two (2) or more times in the past sixty (60) calendar days and are likely to remain unstable because of special needs or barriers.

Other Family households will only be considered for assistance after the waiting list is exhausted for Families with Children, Non-Elderly Persons with Disabilities, and Senior households.

### **4.3.4 Mainstream Voucher Program Preference**

In late 2018, HABC was awarded funding by HUD to support issuing eighty-nine (89) tenant-based vouchers through the Mainstream Voucher Program.

The Mainstream Voucher Program will provide assistance to non-elderly persons with disabilities that qualify for any one of the following preference categories:

1. Transitioning out of institutional or other segregated settings;
2. At serious risk of institutionalization;
3. Homeless; or
4. At risk of becoming homeless.

The target beneficiaries or voucher recipients for the Mainstream Voucher Program under this award are any household that includes one or more non-elderly persons with disabilities, who fall under one of the above-listed preferences. The Residency Preference will continue to apply, meaning there will be a preference for non-elderly persons with disabilities residing in Baltimore City to receive the available HCVs.

HABC will screen its current tenant-based waiting lists for applicants meeting the preferences defined within this subsection. Applicants who meet the non-elderly disabled qualifications will be asked to come in to HCVP's office for eligibility determination and to verify and apply preferences

if applicable. In addition to screening the current tenant-based waiting list, HABC will accept referrals from partner agencies who have existing clients meeting these preferences.

HABC will continue issuing vouchers under this program until all 89 vouchers have been issued, and as necessary to fill turnover vouchers to ensure full utilization of the Mainstream Voucher Program.

#### **4.3.5 Bridge subsidies**

HABC will receive referrals from the Maryland Department of Disabilities through Money Follows the Person, for eligible clients for a period of three (3) years. This program will be similar to the Non-Elderly and Disabled Category II (NEDs Cat II) Program.

#### **4.3.6 Residency Preference**

HABC will grant priority within each of the preference categories to families who are residents of Baltimore City. Families who do not live in Baltimore City will only be considered for assistance after the waiting list of families who live in the City is exhausted, regardless of priority.

#### **4.3.7 Choice Mobility Preference for Residents of RAD Properties**

HABC provides residents living in properties that converted under the Rental Assistance Demonstration (RAD) program a Choice Mobility option. Under Choice Mobility, a resident of RAD will have the opportunity to request an HCV, which may be used to move to a rental unit in the private rental market. This preference will be applied to residents that select the Choice Mobility option as they are added or screened from HCVP's tenant-based waiting lists. Only residents living in HABC RAD properties will be eligible to move with a tenant-based voucher under this preference, and they'll only be able to move the later of:

- 24 months from the date of execution of the HAP Contract for the RAD property in which they live; or
- 24 months after the resident's move-in date at the RAD property.

Residents wishing to exercise the RAD Choice Mobility option must meet all HCVP eligibility criteria, including the program income requirements and the screening criteria, in effect at the time of the tenant-based voucher issuance.

#### **4.3.8 Preference Verification**

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference and given an opportunity for an informal review.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family does not verify their eligibility for the preference as of the date of application, the family will be removed from the list.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, s/he will be removed from the waiting list. Applicants making false statements to claim a preference will be ineligible for assistance for three (3) years from the date of their selection from the waiting list.

#### **4.3.9 Preference Modification**

Changes in an applicant's circumstances while on the waiting list, may affect the family's entitlement to a preference. Applicants are required to notify HABC by submitting their changes online via the Applicant Portal. An alternative method or a reasonable accommodation may be requested, in the event a computer is not accessible by the applicant.

When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly claimed preference, if that preference is of a higher ranking.

The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.

#### **4.3.10 Preference Denial and Appeal**

If HABC denies a preference, HABC will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review. If the preference denial is upheld as a result of the informal review, or if the applicant does not request an informal review, the applicant will be returned to the waiting list without benefit of the preference. However, if at the time the family applies while the waiting list is only open to families who claim that preference, and the applicant cannot prove that preference, the applicant will not be returned to the waiting list. Applicants may exercise other rights if they believe they have been discriminated against.



#### 4.4. UPDATING THE WAITING LIST

Applicants are required to inform HABC online of changes in address via the Applicant Portal, or through alternative methods (i.e. in writing to, or by visiting the HCVP Office to report such changes).

HABC's tenant-based voucher waiting list opened during the period of October 22-30, 2014. All selected applicants and non-selected applicants were notified of their waiting list status upon completion of the random selection. Selected applicants have been placed in one of the Preference 2 categories.

Each household application of the four preference household categories defined above will be assigned a unique number for the respective categories through a computer-generated waiting list. All applications submitted during the waiting list opening period (October 22-30, 2014) have equal date and time and the representative random selection created a unique list number for each selected applicant.

Any reference to a non-online application process is not applicable for an opening of the tenant-based waiting list during any period, as specified by HABC.

The new list created from this preliminary pre-application process will continue to be utilized until it has been exhausted or until its expiration, whichever comes first.

Upon establishment of the waiting list, it is necessary to have current and updated applicant information. HABC periodically reviews the Waiting List to determine if an update and purge are necessary. If an update is needed, HABC will mail update questionnaires to families on the Waiting List. The mailing will ask for current information and confirmation of continued interest. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated. Eligible applicants who respond to the questionnaires within thirty (30) calendar days will be maintained on the Waiting List. Families that do not respond will be withdrawn from the Waiting List.

Questionnaires will be made available in accessible format upon the request of a person with a disability. An extension to reply to the update questionnaires will be considered as a reasonable accommodation if requested by a person with a disability.

In addition, if the applicant did not respond to HABC's update questionnaire because of a disability, HABC will reinstate the applicant in the applicant's former position on the Waiting List. Their placement on the Waiting List will be based on their original preference on the original application, as long as the original preference is still applicable.

#### 4.5. REINSTATEMENT TO THE WAITING LIST

When applicants are removed/withdrawn from the Waiting List because they could not be reached, and they later contact HABC regarding their continued interest in the HCV Program, they will be reinstated to the Waiting List if they contact HABC within ninety (90) calendar days from the date of their removal from the list and placed at the end of the waiting list based on the reinstatement date.

In addition, if the applicant did not respond to HABC's update questionnaire because of a disability, HABC will reinstate the applicant in the applicant's former position on the Waiting List. Their placement on the Waiting List will be based on their original preference on the original application, as long as the original preference is still applicable.

#### 4.6. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998, for each fiscal year HABC will reserve a minimum of 75% of its Section 8 new admissions for families whose income does not exceed 30% of the area median income. HUD refers to these families as "extremely low-income families." HABC will admit families who qualify under the extremely low-income limit in order to meet this requirement, regardless of preference. This practice shall be referred to as income targeting. Where necessary to meet this requirement, HABC will skip applicants on the waiting list until the first extremely low-income family is reached.

HABC income targeting requirement does not apply to low-income families who are continuously assisted as defined in the 1937 Housing Act.

HABC is also exempted from this requirement where HABC is providing assistance to low- income or moderate-income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

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

#### 4.7. SPECIAL PROGRAM CATEGORIES

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the special funding criteria.

#### 4.8. SPECIAL ADMISSIONS

Admission of a family that is not on HABC's waiting list, or without considering the applicant's waiting list position, is called a special admission. Special admissions occur when HUD gives HABC program funding for families living in specified units as opposed to a special category of persons on the waiting list, unless the program provides for referral applicants from applicable government agencies or service provider organizations. Examples are funding for families displaced because of demolition or disposition of federally assisted property, or displacement from a federally assisted project due to termination of assistance or any other event.

The tenant-based assistance program rules provide that when HUD awards HABC program funding that is targeted for families that live in specified units, HABC must use the assistance for families living in these units. HABC may admit a family that is not on HABC waiting list, or without considering the family's waiting list position; and, in accordance with [24 CFR § 982.203\(a\)](#).

HABC must maintain records showing that the family was admitted with HUD targeted assistance.

HABC does not use (nor is it permitted to use) this special method of admissions for any purpose other than when HUD gives HABC program funds for families living in specified units. For example, HABC does not use special admissions to solve over-or under-crowded situations, for persons that require terminal ill care, rehabilitation purposes, etc. However, HABC may use its system of local preferences (approved by the Board) to address these situations.

If HUD awards funding targeted for families living in specific units, HABC is to use the funding for that purpose. HABC will use the targeted funding in accordance with the conditions imposed when the funds are awarded to and accepted by HABC.

In most instances, funding for special admissions is only restricted on initial use for a particular family. If HUD does not require continued use of the funding for a special purpose, the funding is released from special requirements upon turnover. At such time, funding becomes available for general use in HABC's Housing Choice Voucher Program. Re-issuance of these vouchers will be made in accordance with waiting list procedures.

HABC is to maintain documentation of each special purpose funding increment describing the special purpose, the units and families associated with the units, and information on requirements regarding continued use. HABC must also maintain an accounting of each voucher issuance, turnover and placement in the general voucher program.

#### 4.9. SET-ASIDE OF VOUCHERS FOR FAMILIES WITH DISABILITIES

HABC established the Enhanced Leasing Assistance Program (ELAP), which is being implemented by an outside contractor, pursuant to the consent decree entered in *Bailey v. Housing Authority of Baltimore City*, JFM-020CV-225 and *United States of America v. Housing Authority of Baltimore City*, JFM-02-CV-03107 (Bailey Consent Decree). The ELAP provides housing search assistance non-elderly persons with disabilities (NEDs) as defined in and in accordance with the Bailey Consent Decree who received tenant-based vouchers or are referred to units subsidized with project-based vouchers set-aside for NEDs (see below).

The Services provided through the ELAP include:

- Administration of a funding stream for reasonable application fees, security deposits, and utility hook-up fees;
- Housing search assistance;
- Landlord/tenant negotiations and facilitating implementation of requests on behalf of the Program participants for reasonable accommodations, including retrofitting units to make them accessible or to add accessibility features in an amount not to exceed \$5000 per unit;
- Referrals to service providers and non-profit organizations to assist the voucher holder in obtaining long-term housing stability (no guarantees will be made regarding the ability of the service providers to provide the requested services or in being able to identify appropriate service providers for all ELAP participants).

Eight hundred and fifty (850) tenant-based Housing Choice Vouchers and five hundred (500) Project-Based Vouchers were set-aside for issuance to NEDs pursuant to the Bailey Consent Decree. The 850 tenant-based vouchers were offered in order by date and time of application to NEDs on the waiting list who were found eligible for the HCVP and who participated in the ELAP. On turnover, these 850 tenant-based vouchers were leased to the next eligible NED applicant until 102,000-unit months leased to NEDs was achieved. This goal was achieved in November 2018. Therefore, the 850 tenant-based vouchers are no longer available exclusively to NEDs and are now being offered to the next eligible family upon turnover.

Five hundred (500) Housing Choice Project-Based Vouchers were set-aside for issuance to owners of rental properties and developers that agreed to create and maintain project-based units for NEDs. These vouchers are offered, in order by date and time of application, to NEDs on HABC's project-based voucher waiting list who have been found to meet the Housing Choice Voucher Program eligibility criteria and, while it is in existence, who are participating in the ELAP. If a NED participant moves out of one of the units subsidized by one of these vouchers, the unit will be offered to the next eligible NED referred by HCVP for the ELAP.

4.10. **SET-ASIDE VOUCHERS FOR FAMILIES WITH CHILDREN WITH ELEVATED BLOOD LEAD LEVELS**

Subject to availability of funding, two hundred fifty (250) Housing Choice Vouchers will be set-aside for issuance to families with children with elevated blood lead levels as determined and referred by Green and Healthy Homes, Inc. (GHHI), the Maryland Department of the Environment, or other appropriate agency.

4.11. **SET-ASIDE VOUCHERS FOR CHRONICALLY HOMELESS HOUSEHOLDS**

Subject to availability of funding, up to eight hundred fifty (850) Housing Choice Vouchers will be set-aside for issuance to eligible chronically homeless households as determined and referred by the Mayor's Office of Human Services / Homeless Services Program. Two hundred (200) of these vouchers are set-aside for the rolling RFP for Project-Based units designated for the homeless population.

4.12. **SET-ASIDE VOUCHERS FOR RE-ENTRY CITIZENS**

Subject to availability of funding, two hundred fifty (250) Housing Choice Vouchers will be set-aside for issuance to previously incarcerated citizens participating in a re-entry program developed and operated by the Mayor's Office of Homeless Services, as determined and referred by the coordinator of that program.

4.13. **SET-ASIDE VOUCHERS FOR HEALTHY OPPORTUNITIES PROGRAM (HOP)**

In FY2020, HUD approved HABC's request to set aside up to one-hundred and fifty (150) vouchers to assist current Housing Choice Voucher families with children who are facing health related issues due to their current living situations. Subject to availability of funding, HCVP will assist families with moving into opportunity neighborhoods that would improve the family's overall health. Families will be identified by HABC's partner agencies that specialize in the health industry, and opportunity areas may differ based on the needs of each participating family. These vouchers are only for families who are willing to move to opportunity areas to improve their overall health. HABC will evaluate the results of this program and may select new participants upon turnover.

#### 4.14. SPECIAL HUD FUNDING FOR VASH VOUCHERS

HABC was awarded five-hundred and sixty-one (561)\* Veterans Affairs Supportive Housing (VASH) vouchers, funded by HUD, to provide rental assistance to homeless veterans and their immediate families. Referrals are received from the local Veterans Affairs Medical Center which is also responsible for providing intensive case management services to these veterans and their families.

*\*This number is subject to annual incremental increases established by HUD.*

##### 4.15.1 VASH Graduate Program

HABC will receive referrals from the Veterans Affairs (VA) for active participants housed under the VASH Program who have successfully completed case management services as determined by the VA, to receive permanent tenant-based subsidy, subject to funding availability.

#### 4.15. SPECIAL HUD FUNDING FOR NEDS CATEGORY II VOUCHERS

HABC was awarded forty (40) vouchers, funded through a grant from HUD, to provide rental assistance to non-elderly persons with disabilities who are transitioning into the community from nursing homes or other health care institutions. Referrals are received from The Coordinating Center or other appropriate agency. The department also provides care/case management to referees and links them to needed health and social services.

#### 4.16. SPECIAL HUD FUNDING FOR FAMILY UNIFICATION PROGRAM (FUP)

HABC was awarded one hundred (100) vouchers funded through a grant from HUD to provide rental assistance to:

- Families in jeopardy of losing custody of children due to inadequate housing;
- Youths aging out of the foster care system.

For more information on this program, please contact the Public Child Welfare Agency for Baltimore City.

#### 4.17. SPECIAL HUD FUNDING FOR MAINSTREAM VOUCHERS

HABC was awarded a total of one-hundred and sixteen (116) vouchers funded through a competitive process approved by HUD to provide rental assistance to households that include non-elderly/disabled (NED) persons who are:

1. Transitioning out of institutional or other segregated setting;
2. At serious risk of institutionalization;
3. Currently homeless;
4. At risk of becoming homeless.

Applicants are pulled from the existing waiting list for preference verification to determine if they meet the preferences of this special program. Upon exhaustion of the waiting list for all Mainstream eligible applicants, HCVP may accept applications referred through partner agencies.

#### 4.18. PROJECT BASED PROGRAM

(See Chapter 20)

#### 4.19. HOMEOWNERSHIP

(See Chapter 19)

## Chapter 5: SUBSIDY STANDARDS

### 5.1. INTRODUCTION

HABC is required to establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards ("HQS"). This Chapter explains the subsidy standard that will be used to determine family composition and the voucher size (family unit size) for any applicant or participant family. It will also explain HABC procedures when a family's size changes or a family selects a unit size that is different from the Voucher size.

### 5.2. DETERMINING VOUCHER (FAMILY UNIT) SIZE

HABC does not determine who shares a bedroom, but there must be at least one person per bedroom on the Voucher. HABC subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

#### 5.2.1 Guidelines for Determining Voucher Size

Voucher Size	Minimum # of Persons in Household	Maximum # of Persons in Household
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

### 5.3. PARAMETERS FOR DETERMINATION OF VOUCHER SIZE

For subsidy standards, as defined in this Administrative Plan, an adult is a person in the household who is eighteen (18) years old or older.

The unit size on the voucher remains the same as long as the family composition remains unchanged, regardless of the actual unit size rented. If the voucher size increases due to a change in family composition, HABC will only increase the voucher size at the time the family receives approval to move into a new unit.



HABC will consider factors such as family demographics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.

Generally, HABC assigns one bedroom to two people; however, the following guidelines may apply:

- Single person families shall be allocated one bedroom.
- A single pregnant woman with no other family members must be treated as a two-person family and shall be allocated one bedroom.
- A same or opposite sex couple who is married, has an interdependent relationship or domestic partnership shall be allocated a one-bedroom voucher.
- Other than adults who are married, have an interdependent relationship or domestic partnership, adults of the opposite sex will not be required to share one bedroom.
- Children under the age of four (4) will be required to share one bedroom with a related guardian provided there are no more than two (2) people per bedroom.\*\*
- Household members of the same sex, who are seven (7) or more years apart, will not be required to share a bedroom, although they may share a bedroom at the family's discretion.
- Two household members of the same sex, who are less than seven (7) years apart, will be allocated one bedroom.
- Children of the opposite sex will not be required to share a bedroom, unless the oldest child is five (5) years old or younger; children of the opposite sex may share a bedroom at the family's discretion.
- Foster children and children under court awarded custody, appropriately documented, will be included in determining voucher size only if they will be residing with the family for more than one-hundred eighty (180) calendar days per year.
- Live-in aides will generally be provided a separate bedroom. No additional bedrooms are provided for the live-in aide's family. Live-in aides do not have any rights to the voucher.
- Space may be provided for a student who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member who will be absent for more than one-hundred and eighty (180) cumulative calendar days in a twelve-month period, except for family members who have been called to active duty.

- In the case where a family member has been called to active duty, the family composition will remain unchanged even if the family member is absent from the unit for more than six (6) months. After one (1) year, HABC may reevaluate the situation and may take action to ensure the voucher size is relevant to the family composition. If the active duty member is removed from the household and returns at a later date, the household is required to report the update in family composition. HABC may re-evaluate and take action to ensure the voucher size and household income are relevant to the updated family composition and rent share.

Refer to Chapter 1, Section 1.10 for information on requesting a reasonable accommodation.

#### 5.4. **EXCEPTIONS TO SUBSIDY STANDARDS**

HABC may grant exceptions from the subsidy standards at the family's request, or if HABC determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

HABC may grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger voucher size than the subsidy standards permit when persons cannot share a bedroom because of a verified medical or health reason.

##### 5.4.1 **Request for Exceptions to Subsidy Standards**

HABC may or may not issue a larger voucher due to additions of family members for reasons other than by birth, adoption, foster care, marriage, significant other relationships, or court-awarded custody. Requests made to address a disability must be verified by a healthcare professional. If HABC errs in the bedroom size designation, the family will be issued a voucher of the appropriate size.

HABC will also notify the family of the circumstances under which an exception may be granted, such as:

1. A family with a disability is "under-housed" in an accessible unit.
2. A family requires the additional bedroom because of a health problem that has been verified by HABC.
3. A family requires one additional bedroom, and they qualify as a "hard-to-house" family.

\*A family qualifies as Hard to House if there are three or more minors or if there is a disabled family member and the family is moving to a different unit.

#### 5.4.2 Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to HABC subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of HABC subsidy standards, the above-referenced guidelines will apply.

#### 5.4.3 Changes for Participants

HABC must approve new members of the family residing in the unit. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform HABC within thirty (30) calendar days. The above referenced guidelines will apply.

#### 5.4.4 Under-housed and Over-housed Families

If a unit does not meet HABC subsidy standards due to an increase in family size, (i.e. the unit is too small, the family is under-housed), HABC will issue a new voucher of the appropriate size and assist the family in locating a suitable unit.

When a change in family composition requires a larger voucher size and no funds are available, the family will be issued the next available voucher when funding becomes available.

If a unit does not meet HABC subsidy standards due to a decrease in family size (i.e. the unit is too large, the family is over-housed), HABC will notify the family in writing that they are over-housed and may require the participant to move to an appropriate size unit or pay additional costs including increases for utilities and additional rooms.

### 5.5. UNIT SIZE SELECTED

The participant must select a unit consistent with and not greater than the dwelling unit size listed on their voucher (i.e., a one-bedroom voucher holder must select a unit with 0-1 bedrooms; a two-bedroom voucher holder must select a unit with not more than 2 bedrooms, etc.).

Participants living in units where the unit size exceeds the voucher size may be required to move to an appropriate size unit or pay additional costs including increases for utilities and additional rooms.

Exceptions to this rule may be granted at the discretion of HABC where the voucher holder can demonstrate that he/she has made a good faith and exhaustive effort to find an available unit of appropriate size and that this effort has not been successful or based on a

reasonable accommodation request. HABC may provide such claimants with lists of units of a size consistent with their voucher and the claimant may be required to make further attempts to find and select a unit of appropriate size.

If authorization is given to select a unit larger than the voucher size issued, or if the family selects a unit of a smaller size than the voucher size issued, the following criteria will be considered:

#### 5.5.1 Unit Size

The unit size shall not exceed the voucher size. A reasonable accommodation may be requested and granted approval by the Senior Vice President for HCVP, or designee.

#### 5.5.2 Subsidy Limitation

The family unit size (voucher size) as determined for a family under the HABC subsidy standard is used to determine the maximum rent subsidy for a family assisted in the voucher program. For a voucher tenancy, HABC establishes payment standards by number of bedrooms.

The payment standard for a family shall be the *lesser of*:

- a. The payment standard amount for the family unit size (voucher size).
- b. The payment standard amount for the size of the unit rented by the family (unit size).

#### 5.5.3 Utility Allowance

The utility allowance used to calculate the gross rent is based on the lesser of:

- the bedroom size of the unit as authorized on the family's voucher; or
- the actual size of the unit in which the family lives.

#### 5.5.4 Housing Quality Standards

The Housing Quality Standards (HQS) mandate that a unit must have at least one bedroom or living/sleeping room for each two persons and permit maximum occupancy levels as shown in the table below.

**HQS Guidelines for Unit Size Selected**

<b>Unit Size</b>	<b>Maximum # in Household</b>
0 Bedroom	1
1 Bedroom	2
2 Bedrooms	4
3 Bedrooms	6
4 Bedrooms	8
5 Bedrooms	10
6 Bedrooms	12

## Chapter 6: FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

### 6.1. INTRODUCTION

HABC will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and annual reexamination are correct. The accurate calculation of annual income and adjusted income will ensure that families pay the appropriate amount as set forth in HABC's Administrative Plan and HUD regulations.

This Chapter defines Total Tenant Payment (TTP), minimum rent, income and allowances, the earned income disregard (EID) for persons with disabilities, allowable expenses and deductions, and contributions and other expenses to be subtracted from income. It also defines how the presence or absence of household members may affect the Total Tenant Payment (TTP).

### 6.2. DETERMINING TOTAL TENANT PAMENT (TTP)

The Total Tenant Payment (TTP) is the total household share of rent including the rent to owner, and the utility allowance; if there is no utility allowance, the rent to owner equals the gross rent.

TTP is the highest of the following amounts, rounded to the nearest dollar:

1. 30 percent of the family's monthly adjusted income (1/12th of the adjusted income);
2. 10 percent of the family's monthly gross income (1/12th of the annual income);
3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, the portion of those payments which is so designated; or
4. The minimum rent as listed in Section 6.3 of this chapter.

Annual income (see Annual Income in Section 6.4.1.) is used to determine whether or not applicants are within the applicable income limits and for the purposes of calculating TTP both at new admissions and during reexaminations.

### 6.3. MINIMUM RENT

Minimum rent refers to the TTP which includes the combined amount a family pays towards rent and/or utilities when it is applied. HABC has a \$25 minimum rent policy.

HABC will do the following for each minimum rent determined family:

1. Assist minimum rent families in obtaining resources to identify financial assistance for which they may be eligible by providing information on social service agencies and other organizations that may help with financial assistance.
2. Monitor the financial status of minimum rent families.
3. Report to management, on a monthly basis, the number of minimum rent families on the program.

HABC may allow for financial hardship exemptions and will follow the regulations for such exemptions as published at [24 CFR § 5.630](#). Hardship exemptions may be requested by the family if there is an inability to pay minimum rent due to financial hardship. The exemption must be reviewed and approved by the Senior Vice President for HCVP, or designee.

### 6.4. INCOME AND ALLOWANCES

Income includes all monetary and non-monetary amounts that are received on behalf of the family. All income that is not specifically excluded in HABC's Administrative Plan is counted and will be used to determine TTP.

#### 6.4.1 **Annual Income**

Annual income is defined as all amounts, monetary or not, which:

- Go to, or are given on behalf of, the family head or spouse (even if temporarily absent) or to any other family member;
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- Are derived (during a 12-month period) from assets to which any member of the family has access, except where otherwise excluded under the MTW Plan, as applicable.

Annual income is used to determine whether or not applicants are within the applicable income limits, and for the purposes of calculating Total Tenant Payments (TTP) both at new admissions and during reexaminations.

Annual income includes, but is not limited to:

- The gross amount, before any payroll deductions, of wages, salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services. The employment income of an emancipated minor is included if the emancipated minor is the head of household, co-head, or spouse.
- Net income from operation of a business or profession.
- Interest, dividends and other net income of any kind from real or personal property.
- If the market value of a family's combined assets is less than \$50,000, annual income shall be excluded from income calculations;
- If the market value of a family's combined assets is in excess of \$50,000, annual income shall include a percentage of the market/face value of such assets, based on the current established passbook savings rate. Example, if the family's combined market value of their assets is \$75,000 and the passbook savings rate is 1%, the imputed income from assets is \$750.
- The gross amount of periodic payments received from Social Security benefits, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts that are otherwise not specifically excluded.
- Payments in lieu of wages, salary or other earnings, such as unemployment, worker's compensation, and severance pay that are otherwise not specifically excluded.
- All welfare assistance payments (Temporary Assistance to Needy Families (TANF), General Assistance) received by or on behalf of any family members.
- Periodic and determinable allowances, such as alimony and child support payments (i.e., amount awarded by the court unless evidenced by third party documentation to the contrary), and regular cash and non-cash contributions or gifts received from agencies or non-lease members made to or on behalf of family members.
- Any contribution or gift received every two (2) months or more frequently will be considered a "regular" contribution or gift.
- All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances, allowances for dependents, etc.), received by a member of the Armed Forces (whether or not living in the unit) who is head of the family, spouse, or other family member whose dependents are residing in the unit unless otherwise specifically excluded (e.g., hostile fire allowance).



The annual income will be calculated for the entire household; the annual earned income will be calculated for the head of household and the spouse, and for each additional member of the household (anyone listed on the lease that is eighteen (18) years or older or is an emancipated minor). Earned income from adult full-time students will be excluded from calculations of household TTP.

Incomes from family members permanently absent are not counted for purposes of family size or income determination. When HABC is notified of a permanent absence, after unit lease, the event may result in an income re-determination and subsidy standard modification.

Annual income excludes the following:

- Income from the employment of an emancipated minor if the emancipated minor is not the head of household, co-head or spouse.
- Income from the employment of family members under eighteen (18) years of age (including children and foster children).
- Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the participant family, who are unable to live alone).
- Lump sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance, and workers' compensation), capital gains, one-time lottery winnings, and settlement for personal or property losses (see above is payments are or will be periodic in nature). See section below for treatment of delayed or deferred periodic payments of Social Security or Supplemental Security Income benefits.
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- Income of live-in aide provided the person meets the definition of a live-in aide.
- Full amount of student financial assistance paid directly to the student or the educational institution is excluded.
- Special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- Amounts received under training programs funded by HUD, including stipends.
- Continued Participation only: amounts received under HABC-approved economic self-sufficiency or job training programs, including stipends received by Federal, State or local agencies.

- Temporary, nonrecurring, or sporadic income (including gifts).
- Reparation payments paid by foreign governments pursuant to claims filed under the laws of government by persons who were persecuted during the Nazi-era.
- Earnings for each full-time student who is eighteen (18) years or older and is not the head of household, co-head, or spouse.
- Adoption assistance payments per adopted child.
- Lump sum payment of deferred periodic payments of Supplemental Security Income and Social Security benefits.
- 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.
- Amounts paid by a State agency to a family, on behalf of a family member with a developmental disability living at home to offset the cost of services and equipment needed to keep the family member with the developmental disability at home; and
- 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 a program to which the exclusions set forth in the above list of excluded income apply. A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.

#### 6.4.2 Adjusted Income

Adjusted income is defined as the determined Annual Income after making the following deductions:

- Dependent allowance: A deduction of \$480 is taken for each dependent, which is defined as any family member other than the head, spouse, or co-head who is under the age of eighteen (18), or for family members who are eighteen (18) and older who are full-time students or who a person with disabilities.
- Elderly/Disabled allowance: \$400 per household for families whose head or spouse is sixty-two (62) years or older or is a person with disabilities.
- Allowable medical expenses: The sum of the following (to the extent that the sum exceeds 3% of total household gross income):
  - Unreimbursed medical expenses of any elderly or disabled family (i.e. the head, co-head or spouse is elderly or disabled);

- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This allowance may not exceed the earned income received by family members who are 18 years of age and older who are able to work because of such attendant care or auxiliary apparatus.
- Child Care Expenses:
  - Deducted for the care of children under thirteen (13) years old when childcare is necessary, reasonable and customary to allow an adult member to work, attend school, or actively seek employment;
  - Deducted for dependents who are disabled and require care that is necessary, reasonable and customary to allow an adult member to work, attend school, or actively seek employment.
- Other HABC approved deductions.

#### 6.4.3 Averaging Income

When annual income cannot be anticipated for a full twelve (12) months (i.e. seasonal income), HABC will average known sources of income that vary to compute an annual income. If there are bonuses or overtime that the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If there are any changes in the sources used to determine the annualized income, the participant is required to report those changes to HABC within thirty (30) calendar days. Once verified, the income will be recalculated for a full twelve (12) months and adjusted accordingly.

#### 6.4.4 Minimum Income

There is no minimum income requirement. Families who report zero income are required to undergo a re-examination once every twelve (12) months, and will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

## 6.5. EARNED INCOME DISREGARD (EID) FOR PERSONS WITH DISABILITIES

HUD's Earned Income Disregard (EID) applies to voucher families that include a person or persons with disabilities and affords them the ability to accept a job without having their rent increase immediately as a result of the earned income. For the first year (cumulative 12 calendar months) of employment, HABC will disregard 100% of the earned income. In the second year (cumulative 13-24 months) of employment, only 50% of the earned income will be counted towards calculating rent portions.

### 6.5.1 Earned Income

Increases in earned income to be considered for the EID exclusion are one or a combination of the following:

- As a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- As a result of increased earnings by a family member who is a person with disabilities during participation in an approved economic self-sufficiency or other job training program;
- As a result of new employment, or the increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any State program for TANF. The total amount of the increase over a six-month period must be at least \$500. The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12-months no more than the equivalent earnings for working ten (10) hours per week for fifty (50) weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The definition of economic self-sufficiency program is a program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any increases of earned income for a family member who is a person with disabilities.

The amount that is subject to the exclusion is the amount of an incremental increase in earned income of a family member who is a person with disabilities. The incremental increase in earned income is calculated by comparing the amount of the disabled family member's earned income before the increase in earned income to the amount of such earned income after the increase.

#### **6.5.2 Initial Twelve-Month Exclusion**

During the initial 12-month period beginning on the date a member who is a person with disabilities begins employment, HABC will exclude that increase from the calculation of the family's annual income.

#### **6.5.3 Second Twelve-Month Exclusion and Phase-in**

During the second 12-month period, beginning after the expiration of the initial 12-month period referred to above, 50% of the earned income of the person receiving the benefits of the initial 12-month exclusion (see *Initial Twelve-Month Exclusion*, above) will be excluded from the calculation of the family's annual income.

#### **6.5.4 Maximum Two-Year Disregard**

The earned income disregard is limited to a lifetime 24-month period for each family member who is a person with disabilities, and the calendar begins on the date of employment. For each family member who is a person with disabilities, the disregard only applies for a maximum of 12 months of 100% (full) exclusion of earned income, and a maximum of 12 months of 50% (phase-in) exclusion during the 24-month period starting from the date of employment.

If the period of earned income does not last for 12 consecutive months, the 24-month disregard period continues. It may be continued until the disregard has been applied for a total of 24 months. The EID benefit is limited to a lifetime 24-month period for the qualifying family member.

No earned income disregard will be applied after the 24-month period following the initial date the exclusion was applied.

#### **6.5.5 Applicability to Child Care and Disability Assistance Expense Deductions**

The amount deducted for childcare will be considered reasonable according to the average weekly costs determined by the market survey from the Maryland Child-Care Resource Network (MCRN). The amount deducted for disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual

income. Therefore, for disabled families entitled to the earned income disregard, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

### **6.5.6 Tracking the Earned Income Disregard**

Documentation regarding the Earned Income Disregard will be maintained to show the reason for the reduced increase in rent.

Such documentation will include:

- Date the earned income was reported by the family;
- Name of the family member who started earning income;
- Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the earned income;
- Amount of the earned income (amount to be excluded);
- Date the earned income is first excluded from annual income;
- Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if any);
- Date the family member has received a total of 12 months of the full 100% exclusion;
- Date the 12-month phase-in period began;
- Date(s) earned income ended and resumed during the second cumulative 12-month period (phase-in) of exclusion (if any);
- Date the family member has received a total of 12 months of the phase-in exclusion;
- Ending date of the maximum 24-month (two years) disregard period (24 months from the date of the initial earned income disallowance).

HABC will maintain a tracking system to ensure correct application of the earned income disregard.

### **6.5.7 Inapplicability to Admission**

The earned income disregard is only applied to determine the annual income of disabled families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

## 6.6. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

Permanent and temporary absence has significant impact on a number of HCV assistance aspects including family size determination, subsidy standard determination, and split household and remaining tenants. HABC must account for and compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, HABC must count the income of the spouse or the head of the household, if that person is temporarily absent, even if that person is not on the lease. Income of persons determined permanently absent will not be counted. It is the responsibility of the head of household to report changes in family composition. HABC will evaluate absences from the unit using this policy. See Chapter 15, Sections 15.5 for more information on definitions of absent members, family, etc.

### 6.6.1 Reporting Absences to the HABC

Reporting changes in household composition is both a family responsibility and HABC requirement.

If a family member leaves the household, the family must report this change to HABC, within fourteen (14) calendar days of the change and certify as to whether the member is temporarily or permanently absent. HABC will conduct an unscheduled evaluation for changes that affect the Total Tenant Payment in accordance with HABC policy.

### 6.6.2 Reporting Additions to Owner and HABC

Reporting changes in household composition to HABC is a family responsibility.

The family obligations require the family to request HABC approval to add any other family member as an occupant of the unit and to inform HABC of the birth, adoption, foster care, or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income.

HABC will not approve the addition of a new family or household member unless the individual meets eligibility and screening criteria. HABC may issue a larger voucher due to approved, eligible additions of family members by birth, adoption, foster care, marriage, significant other relationships, and court awarded custody. If the family does not obtain prior written approval from HABC, any person the family has permitted to move in will be considered an unauthorized household member.

An unscheduled reexamination will be conducted for any additions to the household.

Reasons to approve additional household members include, but are not limited to:

- Minors will be added to the voucher if assisted member can show guardianship: by birth, adoption, foster care, or court-awarded custody.
- Single adults with disabilities will be added to the voucher if it is necessary for the head-of-household to care for the disabled adult.
- New members, including significant others can be added to the voucher upon approval by the landlord and by the Senior Vice President for HCVP, or designee.
- Previously removed single adults may be re-added to the voucher pending approval of the Senior Vice President for HCVP, or designee.
- Exceptions may be made to the above circumstances, upon approval by the landlord and Senior Vice President for HCVP, or designee.

Other adults with children who are not a part of the voucher household, or who are not a significant other to any household member, will be considered separate families bypassing the waiting list, and will not be added to the voucher.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

All situations for requests to add members, which may not be described above, are subject to approval or denial by the Senior Vice President and HABC's Office of Fair Housing and Equal Opportunity Enforcement.

#### 6.7. INCOME OF PERSON PERMANENTLY LIVING IN A NURSING HOME

If a family member is permanently living in a hospital or nursing home and there is a family member left in the household, HABC will calculate the income by using the following methodology and applying the income figure that would result in a lower payment by the family:

- Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.
- Include the income and deductions of the member if his/her income goes to a family member.



## 6.8. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received two (2) months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$600 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see "Verification Procedures" chapter for further definition).

## 6.9. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. HABC will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided:

- HABC receives verification from the agency responsible for enforcement or collection.
- 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.

## 6.10. LUMP-SUM RECEIPTS

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 or property losses, are not included in income but may be included in assets.

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

In order to determine the effect of a lump sum payment, HABC will calculate prospectively at the time of annual re-examination. At the annual re-examination, HABC will apply the percentage balance to the lump sum and add it to the rest of the annual income.

### 6.10.1 Attorney Fees

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney's fees.

### 6.11. CONTRIBUTIONS TO RETIREMENT FUNDS – ASSETS

Contributions to company retirement/pension funds are handled as follows:

- While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
- After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

### 6.12. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

HABC must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. HABC will count the difference between the market value and the actual payment received in calculating total assets for two years.

Assets disposed of as a result of foreclosure or bankruptcy, are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation, are not considered to be assets disposed of for less than fair market value.

HABC's minimum threshold for counting assets disposed of for less than fair market value is \$50,000. If the total value of assets disposed of within the two-year period is less than \$50,000, they will not be considered an asset. Anything under \$50,000 is verified through self-declaration.

### 6.13. CHILD CARE EXPENSES

Child care expenses are amounts anticipated to be paid by the family for the care of children under thirteen (13) years old, during the period for which annual income is computed, but only where such care is necessary to enable an adult to work or attend school full time, or to actively seek employment, and only to the extent such amounts are not reimbursed.

Childcare expenses are not for recreational sporting activities (i.e. football, baseball, soccer, etc.) for children under 13.

Additionally, childcare expenses cannot be allowed as a deduction if any one of the following apply:

- The family has determined there is an adult household member capable of providing care for the child during the hours care is needed (examples of adult members considered *unable* to care for the child include a person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source);
- If the expenses are paid to a family member living in the unit; and/or
- If the expenses are reimbursed to the family by an agency or individual outside the family.

Allowable deductions for child-care expenses are based on the following guidelines:

- Childcare to work: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work.
- Childcare for school: The number of hours claimed for childcare may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.
- Childcare to seek employment: HABC will use documentation from a state or local agency that monitors work-related requirements and will request verification from the agency of the member's job seeking efforts to date. The family will be required to submit to HABC any reports provided to the other agency.
- Amount of Expense: The amount deducted for childcare will be considered reasonable according to the average weekly costs determined by the market survey from the Maryland Child-Care Resource Network (MCRN). HABC will maintain this survey of childcare expenses as a guideline. If the hourly rate materially exceeds the guideline, HABC may calculate the allowance using the guideline.

### 6.13.1 Hardship Policy for Child Care Expenses

Households may request a hardship review when a household's actual unreimbursed childcare expenses exceed HABC's established standard deduction by more than 10%. Approval will be contingent upon the household providing verification of the need for childcare expenses which are higher than the established HABC standard. HABC will develop procedures for application and approval of hardships due to childcare expenses.

#### 6.14. MEDICAL EXPENSES

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.

#### 6.15. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

##### 6.15.1 **Applicability**

Pro-ration 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.

##### 6.15.2 **Prorated Assistance Calculation**

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible.

#### 6.16. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

HABC will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- Fraud by a family member in connection with the welfare program.
- Failure to participate in an economic self-sufficiency program.
- Noncompliance with a work activities requirement.

However, HABC will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits.
- A situation where a family member has not complied with other welfare agency requirements.
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member 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.

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

#### 6.16.1 Verification before Denying a Request to Reduce Rent

HABC will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

HABC will obtain from the welfare agency the:

- Amount and term of specified welfare benefit reduction for the family.
- Reason for the reduction.
- Subsequent changes in term or amount of reduction.

#### 6.17. UTILITY ALLOWANCE AND UTILITY ALLOWANCE PAYMENTS (UAPs)

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption. The same Utility Allowance Schedule is used for all tenant-based programs.

HABC's utility allowance schedule, and the utility allowance for an individual family, includes the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. HABC does not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

HABC classifies utilities in the utility allowance schedule according to the following general categories: space heating, cooking, water heating, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners.

HABC will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule must be revised to reflect the new rate. As a rule, the most recent utility table available will be used. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination or interim or upon a move or at a date specified by HABC for the universal implementation of the most current utility tables. Universal implementation refers to adjusting all active participant accounts at one time to reflect the utility allowances in effect at that time.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance is based on the lesser of the actual unit size selected or the family's voucher size. Rent calculations may result in a utility allowance payment (UAP) due to the family, which are paid directly to the family, electronically on a debit card each month.

## Chapter 7: VERIFICATION PROCEDURES

### 7.1. INTRODUCTION

Eligibility and Total Tenant Payment/Family Share will be verified by HABC. Applicants and program participants must provide true and complete information to HABC when requested. HABC staff will obtain written verification from independent sources whenever possible and will document participant files whenever third-party verifications are not possible. The file entry will explain the reasons for not obtaining the third-party verification. HABC verification requirements are designed to maintain program integrity.

This chapter explains HABC procedures and standards for verification of identity, criminal history, family status, family composition, full-time student status, disability status, citizenship status, preferences, income, assets, and allowable deductions. HABC will obtain proper authorization from the family before requesting information from independent sources.

### 7.2. RELEASE OF INFORMATION

Adult family members aged eighteen (18) years and older will be required to sign the HUD 9886 Release of Information/Privacy Act form or HABC equivalent.

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886 Authorization for Release of Information/Privacy Act form or HABC equivalent.

Family refusal to cooperate with the prescribed verification system will result in denial of admission or termination of assistance. It is a family obligation to supply any information requested and to sign consent forms required by HABC or HUD, when determining eligibility for admission and continued assistance.

### 7.3. METHODS OF INCOME VERIFICATION AND TIME ALLOWED

HABC will verify income information through the five methods of verification acceptable to HUD in the following order:

- Level 6 (highest): Upfront Income Verification (UIV) (i.e., HUD's Enterprise Income Verification (EIV) system and Income Verification Tool (IVT))
- Level 5: Upfront Income Verification (UIV) using non-HUD verification system (i.e., The Work Number)

- Level 4: Written Third-Party Verification (i.e., paystubs, payroll summary reports, benefit letters, etc.)
- Level 3: Written Third-Party Verification Form, when 3rd party documents are not available (i.e. Wage Form)
- Level 2: Oral Third-Party Verification (i.e. in-person or via telephone call)
- Level 1: Tenant Declaration (i.e. notarized or certified self-declaration)

HABC will follow Rental Integrity Monitoring (RIM) guidance and regulations in performing all methods of income verification.

### 7.3.1 Upfront Income Verification (Level 6/5)

Upfront verification is preferable to the more time-consuming methods of third-party verification (i.e., contacting an employer or benefit provider by mail, fax or phone). However, upfront verification should not be considered an automatic substitute for third party verification. Third party verification may still be required to supplement upfront verification, especially in the event that the applicant / participant provided documents vary from the upfront verified benefit amount.

Currently the upfront verification tools available to HABC include the following:

- EIV and/or IVT systems by HUD (Level 6);
- TASS - for Social Security benefits;
- The Work Number - for employment/wage income;
- Department of Labor and Licensing Relations (DLLR).

HABC is currently seeking agreements with other federal, state and local agencies to broaden the upfront verification tools available to staff and will implement these tools as they become available.

### 7.3.2 Written Third-Party Verification (Level 4/3)

Written third-party verification is used to verify information directly with the source. Written third-party verification forms will be sent and returned via first class mail, or via email. The family will be required to sign a release form providing authorization for the source to release the specified information to HABC.

Verifications received directly from the source electronically, are considered written third-party verifications. Written third-party verification forms from employers will not be hand carried by the family under any circumstances. HABC will send requests for written third-party verifications



directly to the source at all times, regardless of whether the family provides a computerized printout.

HABC will accept verifications in the form of recent computerized printouts delivered by the family from the following agencies:

- Social Security Administration - upfront verification is available through matching for program participants only
- Veterans Administration
- Social Services
- Unemployment Compensation Board
- Bureau of Child Support Enforcement
- City or County Courts
- Banks (bank statements)
- Third-party verification forms (Level 3) from any of the agencies listed above

### **7.3.3 Oral Third-Party Verification (Level 2)**

Oral third-party verification will be used when written third-party verification is not successful. When oral third-party verification is used, staff will be required to document the following:

- With whom they spoke;
- The date of the conversation;
- The phone number used to have the conversation (including any extensions); and
- The facts provided.

If oral third-party verification is not available, HABC will compare the information to any documents provided by the family. If provided by telephone, HABC must originate the call.

### **7.3.4 Tenant Declaration (Level 1)**

In the event that none of the other verification methods are successful, the family will be required to submit a self-certification as a form of income verification through tenant declaration.

Self-certification means a notarized statement, affidavit, or certification under penalty of perjury. All forms of self-certifications must be witnessed. The family will be allowed five (5) business days to supply such documentation if all other forms of verification are impossible to obtain.

Self-Certification can also be used for validating legal status/citizenship when required evidence is otherwise unavailable or delayed.

#### 7.4. REQUIREMENTS FOR ACCEPTABLE DOCUMENTS

Any documents used for verification must be the original (not photocopies) and generally must be dated within sixty (60) calendar days of the date they are provided to HABC. The documents must not be damaged, altered or in any way illegible.

Printouts from websites, or web pages, are considered original documents.

#### 7.5. REVIEW OF DOCUMENTS

In the event that written third-party and oral verification is unsuccessful, or the information has not been verified by the third party, HABC will notate the file accordingly. The file entry will explain the reasons for not obtaining the third-party verification and provide evidence that the request was made. The family will be required to provide original unaltered documents as the primary source of information, so long as the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant and participant file. In cases where documents are viewed but which cannot be photocopied, staff viewing the document(s) will notate the applicant or participant file that documents were viewed, and acceptable.

HABC will accept the following original unaltered documents from the:

- Printed wage stubs:
  - Two (2) consecutive paystubs for bi-weekly paychecks;
  - Four (4) consecutive paystubs for weekly paychecks.
- Computer printouts from the employer, on letterhead.
- Signed letters on letterhead (provided that the information is confirmed by phone).
- Other documents noted in this Chapter as acceptable verification.

If third-party verification is received after documents have been accepted as provisional verification and there is a discrepancy, HABC will utilize the third-party verification form.

#### 7.6. ITEMS TO BE VERIFIED

- All income not specifically excluded by the regulations.

- Full-time student status including High School students who are 18 years old or older.
- Current assets over \$50,000, including assets over \$50,000 disposed of for less than fair market value in the preceding two years.
- Childcare expenses which allow an adult family member to be employed or to further his/her education.
- Total medical expenses of all family members in households whose head, co-head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed.
- Information regarding disability for the determination of preferences, allowances or deductions.
- U.S. citizenship/eligible immigrant status.
- Social security numbers for all family members who have been issued a social security number.
- "Preference" status.
- Marital status when needed for head or spouse definitions.
- Verification of reduction in benefits for non-compliance from Social Services stating that the family's benefits have been reduced for fraud or non-compliance before approving the family's \$25 rent status or request for rent reduction.

## 7.7. VERIFYING NON-FINANCIAL FACTORS

### 7.7.1 Verification of Legal Identity

In order to prevent program abuse, HABC will require applicants and participants to furnish verification of legal identity for all family members. The documents listed below, in order of preference, will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers;
- U.S. passport;

- Valid Driver's license or clear photo identification card issued by Department of Motor Vehicles.

Other forms of identification verification may be accepted, if no other form of verification is available:

- U.S. military discharge (DD 214) form;
- Voter's registration card;
- Census Tract Records;
- Social Security Award Letters.

Documents considered acceptable for the verification of legal identity for minors, in order of preference, may be one or more of the following:

- Certificate of Birth or Birth Registration
- Hospital records

Other acceptable forms for the verification of legal identify for minors may include (when no other forms are available):

- Adoption papers
- Custody agreement
- Health and Human Services ID
- School identification
- Church issued baptismal certificate

### **7.7.2 Verification of Criminal History**

HABC will check criminal history for all members of the household who are fourteen (14) years of age or older, to determine whether any such member has engaged in drug-related, violent or other criminal activity. This criminal history check will be performed at initial eligibility determination, and at any re-examination thereafter.

### **7.7.3 Verification of Marital Status**

The verification of marital status may be used to determine the definition of spouse for income and deduction purposes, and citizenship determinations.

Marital status verification may include:

- Divorce - a certified copy of the divorce decree, signed by a Court Officer.
- Separation - a copy of court-ordered maintenance or other records.
- Marriage - a marriage certificate.

#### 7.7.4 Verification of Familial Relationships

The following verifications will always be required to determine family relations (if applicable):

- Verification of relationship: Official identification showing names, Birth Certificates or Baptismal certificates, or affidavit of parentage.
- Verification of guardianship: Court-ordered assignment, or verification from social services agency.

#### 7.7.5 Verification of Permanent Absence of ANY Family Member

Permanently absent is defined as any current member of the household who has not resided in the household for one-hundred and eighty (180) calendar days.

If any family member who was formerly a member of the household is reported to be permanently absent by the family, HABC will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Husband or wife institutes legal separation.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, cancelled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services or a written statement from the landlord or manager that the family member is no longer living at that location.
- If the family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

#### 7.7.6 Verification of Change in Family Composition

HABC may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

#### 7.7.7 Full-time Student Status

Verification of full-time student status includes:

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

### 7.7.8 Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 6001(7)) or verified by appropriate diagnostician such as physician, psychiatrist, or licensed social worker, using the HUD language as the verification format.

### 7.7.9 Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

In accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998 individuals must be U.S. citizens or eligible immigrants to be eligible for assistance. Eligible immigrants must fall into one of the six categories specified by the regulations and must have their status verified by the United States Citizenship and Immigration Services (USCIS).

Each family member must declare his/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 a HABC hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury. HABC requires citizens to provide documentation of citizenship. Acceptable documentation will include at least one of the following original documents:

- United States birth certificate. A birth registration will be accepted only as an alternative, if the birth certificate is unavailable. However, a birth certificate will be requested at each re-examination until one is obtained and filed.
- United States passport.

Eligible Immigrants, who were participants, aged sixty-two (62) years or older on or before June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens 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. HABC verifies the status through the USCIS SAVE system. If this primary verification fails to verify status, HABC must request within ten (10) business days that the USCIS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

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. However, they are listed on the statement of ineligible members.

Failure to Provide: If an applicant or participant 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.

#### ***7.7.9.1 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. HABC will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family. HABC will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

If no birth certificate was provided at the time of verification, HABC will request the birth certificate at the time of recertification and at all future recertifications until one is obtained and filed.

For family members added after other members have been verified, the verification occurs at the first re-examination after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, HABC must conduct the determination.

#### ***7.7.9.2 Extensions of Time to Provide Documents***

HABC will grant an extension not to exceed thirty (30) calendar days for families to submit evidence of eligible immigrant status.

#### ***7.7.9.3 Acceptable Documents of Eligible Immigration***

A birth certificate is not acceptable verification of immigration status. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register:

- Resident Alien Card (I-551 or I-151)

- Memorandum of Creation of Record of Lawful Permanent Residence (I-181) with approval stamp;
- Permit to Re-enter the United States (I-327)
- Refugee Travel Document (I-571)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Employment Authorization Document (I-766)

All documents in connection with U.S. citizenship/eligible immigrant status must be a part of the applicant/participant permanent file.

If HABC determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for twenty-four (24) months, unless the ineligible individual has already been considered in prorating the family's assistance.

#### 7.7.10 Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members 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 the family members 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. Acceptable documents include:

- A driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- Earnings statements or payroll stubs
- Benefit award letters from government agencies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records



- Verification of benefits or social security number from Social Security Administration

Additions of new family members who are at least age six (6) and older will be required to produce their social security card (if one has been issued) 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 HABC.

If an applicant or participant is able to disclose the social security number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by HABC. The applicant/participant or family member will have ninety (90) calendar days to provide proof of the social security number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least sixty-two (62) years of age, HABC may grant an extension for an additional ninety (90) calendar days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance 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.

#### **7.7.11 Verification for a Medical Need for Larger Unit**

A written certification that a larger unit is necessary, must be obtained from a healthcare provider or professional.

A healthcare provider or professional may be a nurse, a nurse practitioner, physician's assistant, licensed social worker, physician, psychologist, or case worker who is in a position to know the disability and who can explain how the requested accommodation will assist with the disability.

### **7.8. VERIFICATION OF WAITING LIST PREFERENCES**

#### **7.8.1 Preference 1**

Families claiming Preference 1 as identified in Chapter 4, Section 4.3.2., are referred to HABC by partner agencies/offices that provide the written documentation required to verify the preference.

#### **7.8.2 Preference 2**

This preference is available for families who meet the requirements for Preference 2 as listed in Chapter 4, Section 4.3.3.

HABC is required to third party verify the accuracy of the information provided by the applicant.

### 7.8.3 Residency Preference

This preference is for families who live in the jurisdiction of HABC. To verify that an applicant is a resident, HABC will require one or more of the following items:

- An executed lease and rent receipts.
- Government agency records.
- Utility statement in the name of the head of household or spouse.
- Current driver's license or voter's registration card.

## 7.9. VERIFICATIONS BY TYPES OF INCOME

This section defines the methods HABC will use to verify various types of income.

### 7.9.1 Employment Income

Verification forms request the employer to specify the:

- Dates of employment.
- Amount and frequency of pay.
- Date of the last pay increase.
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months.
- Year to date earnings.
- Estimated income from overtime, tips, bonus pay expected during next 12 months.

Acceptable methods of verification include, in this order:

- a. Upfront Income Verification.
- b. Written, third-party verification form completed by the employer.
- c. Oral, third-party verification provided by the employer (i.e., Human Resource or Payroll Department) accompanied by a HABC document of the name, title and time of the phone conversation.
- d. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings. A statement of why the third-party request was not

obtained and appropriate documentation of the third-party request attempt (i.e., copy the letter sent) must accompany this form of verification.

- o Two (2) consecutive paystubs for bi-weekly paychecks;
  - o Four (4) consecutive paystubs for weekly paychecks.
- e. W-2 forms plus income tax return forms along with the appropriate documentation of the third-party attempt. Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

### **7.9.2 Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

Acceptable methods of verification include, in this order:

1. Upfront Income Verification – EIV / TASS
2. Benefit verification form completed by agency providing the benefits.
3. Award or benefit notification letters prepared and signed by the providing agency.
4. Computer report electronically obtained or in hard copy.

**Note:** HABC will accept original, hand carried documents provided by the applicant/participant

### **7.9.3 Unemployment Compensation**

Acceptable methods of verification include, in this order:

1. Upfront Income Verification (when available)
2. Verification form completed by the unemployment compensation agency.
3. Computer report electronically obtained or in hard copy from the Unemployment Office stating payment dates and amounts.
4. Payment receipts.

### **7.9.4 Social Service Payments or General Assistance**

Acceptable methods of verification include, in this order:

1. Upfront Income Verification (when available)
2. HABC verification form completed by payment provider.
3. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
4. Computer-generated Notice of Action.
5. Computer-generated list of recipients from Welfare Department.

### 7.9.5 Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. Upfront Income Verification (when available)
2. Copy of a separation or settlement agreement, or a divorce decree, stating amount and type of support and payment schedules.
3. HABC generated form completed by the provider.
4. Copy of latest check and/or payment stubs from Court Trustee. HABC must record the date, amount, and number of the check.
5. Family's self-certification of amount received, and/or family self-certification that support payments are not being received. If payments are irregular, the family must provide:
  - A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
  - A welfare notice of action showing amounts received by the welfare agency for child support.
  - A written statement from an attorney certifying that a collection or enforcement action has been filed.

**Note:** Child support payments will be calculated as an average of the last full six months' worth of payments received, and lump sum payments will be included.

### 7.9.6 Net Income from a Business

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

Acceptable methods of verification include:

- 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.
- Audited (or non-audited) financial statements of the business

- For the initial year only the family's self-certification as to net income realized from the business during previous years. The family must provide one of the above-mentioned forms of verification upon re-examination.

#### 7.9.7 Child Care Business

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

#### 7.9.8 Recurring Support

“Support” is defined as monetary and/or non-monetary gifts given to a family member. The family must furnish a self-certification that contains the following information:

- The person who provides the support
- The value of the support
- The regularity (dates) of the support

#### 7.9.9 Zero Income Status

Any member of the family claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. HABC will obtain third party verification (written/oral) from the appropriate agencies. This level of verification will be done at every re-examination if claiming zero income status.

### 7.10. INCOME FROM ASSETS

HABC will verify the value and income from assets using the verification hierarchy.

#### 7.10.1 Savings Account Interest Income and Dividends \$50,000 or more

Acceptable methods of verification include, in this order:

1. Account statements, passbooks, certificates of deposit, or HABC verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution provided that HABC must adjust the information to project earnings expected for the next 12 months.

#### **7.10.2 Interest Income from Mortgages or Similar Arrangements \$50,000 or more**

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for 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. Amortization schedule showing interest for the 12 months following the effective date of the certification or re-examination.

#### **7.10.3 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 most recent 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.

### **7.11. VERIFICATION OF ASSETS**

#### **7.11.1 Assets worth less than \$50,000**

Under the authority of the MTW Agreement, applicants and participants will be allowed to self-certify asset value and income when the market value of the family's combined assets is \$50,000 or below. When the market value of the asset is greater than \$50,000, HABC will verify the market value of the asset using the verification hierarchy. Each household will be required to complete one asset self-certification at admission and at each regular recertification.

HABC will require the information necessary to determine the current market value of the family's combined assets. Anything under \$50,000 is verified through self-declaration.

Acceptable verification may include any of the following:

- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stockbroker or realty agent as to net amount family would receive if they liquidated securities or real estate.
- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.

#### **7.11.2 Assets worth \$50,000 or more Disposed of for Less than Fair Market Value (FMV) in the Two Years Preceding the Effective Date of Admission or Re-examination**

For assets disposed at less than fair market value in the two years preceding the effective date of admission or the certification, HABC will accept a self-certification from the household including a certification regarding the assets disposed, the date of disposition and the amount received for the asset.

### **7.12. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME**

#### **7.12.1 Childcare Expenses**

Written verification of vouchers or receipts from the person who receives the payments for child(ren) under thirteen (13) years of age, is required. If the childcare provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the childcare provider's name, address, telephone number, the names of the children cared for, the number of hours the childcare 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.

The amount deducted for childcare will be considered reasonable according to the average weekly costs determined by the market survey from the Maryland Child-Care Resource Network (MCRN). The amount deducted for disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for disabled families entitled to the earned income disregard, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

### 7.12.2 Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source.

Expense claims will always be verified, by using 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.
- For attendant care.

A reliable, healthcare provider or 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.

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.

- 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. HABC may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

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

### 7.12.3 Assistance to Persons with Disabilities

In All Cases:

- Written certification from a reliable, healthcare provider or professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
- Certification of family and attendant and/or copies of cancelled checks family used to make payments.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

### 7.13. COMPUTER MATCHING

The 1988 McKinney Act legislation authorized State wage record keepers to release to both HUD and HABC information pertaining to wages and unemployment compensation. HABC may sign an agreement with the appropriate State agency so that they can compare the name and social security number of applicants and participants with the records of the State agency.

For some time, HUD has conducted a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by HABC on the 50058 form. HUD can disclose Social Security information to HABC but is precluded by law from disclosing Federal tax return data to HABC. If HUD receives information from Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to HABC (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified HABC in writing that the family has been advised to contact HABC. HUD will send HABC a list of families who have received "income discrepancy" letters.

When HABC receives notification from HUD that a family has been sent an "income discrepancy" letter, HABC will contact the family by mail and telephone after forty (40) days following the date of notification. HABC will request that the family promptly furnish any letter or other notice by HUD concerning the amount or verification of family income. HABC will fully document the contact in the participant's file, including a copy of the letter to the family and/or written documentation of phone call.

When the family provides the required information, HABC will verify the accuracy of the income information received from the family. HABC will conduct an interim re-examination, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, and based on the information.

If the participant fails to respond to HABC, HABC will request that HUD send a second letter. After an additional forty (40) business days, HABC will send a letter to the head of household, warning of the consequences if the family fails to contact HABC within two weeks.

If the participant claims a letter from HUD was not received:

- HABC will ask HUD to send a second letter with a verified address for the tenant.
- After 40 days, HABC will contact the participant family.
- If the participant family still claims they have not received a letter, HABC will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the participant family fails to meet with HABC or will not sign the IRS forms, HABC will send a warning letter to the head of household. The warning letter will notify the family that termination proceedings will begin within one week, if the participant fails to meet with HABC and/or sign forms.

In summary:

- If the participant does receive a discrepancy letter from HUD, HABC will set up a meeting with the family.

- If the family fails to attend the meeting, HABC will reschedule the meeting.
- If the family fails to attend the second meeting, HABC will send a termination warning.
- The family must bring the original HUD discrepancy letter to HABC.
- If the participant disagrees with the Federal tax data contained in the HUD discrepancy letter:
  - HABC will ask the participant to provide documented proof that the tax data information is not correct.
  - If the participant does not provide documented proof, HABC will obtain proof to verify the Federal tax data using third party verification.

## Chapter 8: VOUCHER ISSUANCE AND BRIEFINGS

### 8.1. INTRODUCTION

HABC goals and objectives are designed to ensure that families selected to participate in the Housing Choice Voucher Program, are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements.

When eligibility has been determined, HABC will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, HABC procedures, and how to lease a unit. The family will also receive a briefing packet that provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration.

This chapter describes how briefings will be conducted, the information that will be provided to families, owner and participant responsibilities and the policies for how changes in family composition will be handled.

Other information provided to families may also include descriptions of mobility counseling programs established to implement components of the partial consent decree entered in the Thompson v. HUD case. See Appendix II for more detailed information.

In this Chapter, HABC will discuss how it conducts Owner Outreach and the efforts involved in educating owners on the program and owner responsibilities.

### 8.2. ISSUANCE OF VOUCHERS

When funding is available, HABC will issue vouchers to applicants who have been deemed eligible. The number of vouchers issued must ensure that HABC stays as close as possible to 100 percent lease-up. HABC maintains a continuous accounting to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent HABC can over-issue (issue more vouchers than the budget allows to achieve lease- up).

HABC may over-issue vouchers to the extent necessary to meet leasing goals. All vouchers that are over-issued must be honored. If HABC finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

HABC will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of their inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two (2) scheduled briefings without prior notification and approval of HABC will be denied admission based on failure to supply information needed for certification.

HABC will conduct individual briefings for families with disabilities at their homes, upon request by the family, if required for reasonable accommodation. HABC may allow a representative of the family (i.e., live-in aide, family member, or case manager) to attend the briefing on behalf of the family, as a reasonable accommodation for a disability that prevents the family from attending, upon approval of written request (see Chapter 1, Section 1.10 on Reasonable Accommodations).

### 8.3. **BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]**

#### 8.3.1 **Voucher Briefings**

A full briefing will be conducted for families who are determined to be eligible for assistance. Group voucher briefings will be conducted. Families who attend group briefings and still have the need for individual assistance, will be referred to the appropriate program specialist. Individual briefings may be conducted under specific conditions or for certain programs, or as a reasonable accommodation for persons with disabilities upon request and with approval by the Senior Vice President for HCVP or designee.

Voucher briefings will be conducted in English. The purpose of the voucher briefing is to explain how the program works, and to explain the documents in the voucher holder's packet to families so that they are fully informed about the program. This will enable families to utilize the program to their advantage, and it will prepare them for discussions with potential owners and property managers. If the family includes a person with disabilities, HABC will ensure compliance with [24 CFR § 8.6](#) to ensure effective communication with applicants, beneficiaries, and members of the public.

HABC will use the voucher briefing to explain the documents included in the voucher briefing packet, and to discuss relevant issues including, but not limited to, the following:

- A general description of the Housing Choice Voucher program.
- Family and owner responsibilities (*Example: The family is obligated to maintain utilities and the condition of the unit.*)

- Where a household may lease a unit, including renting a unit outside HABC's jurisdiction (portability).
- Advantages of moving to a census tract of low poverty concentration.
- Special considerations concerning families that may have special needs.
- Choosing a unit carefully and only after due consideration.
- The Family Self Sufficiency Program and its advantages.
- The benefits and challenges of moving to an opportunity neighborhood.
- Tenant Readiness.
- Maintenance of a "Search" Log.
- Fair Housing Policies and Discrimination Form.
- VAWA Notice and Information Packet.

### 8.3.2 Voucher Briefing Packet

The documents and information provided in the briefing packet and discussed during the briefing for the voucher program, will comply with all HABC-MTW requirements. The family is provided with the following information and materials:

- The term of the voucher, and HABC policy for requesting extensions.
- Tolling time or suspension of the voucher.
- A description of the method and a copy of the worksheet used to calculate the housing assistance payment for a family, including how HABC determines the payment standard for a family; how HABC determines total tenant payment for a family and information on the payment standard and utility allowance schedule and how HABC determines the maximum allowable rent for an assisted unit.
- Where a family may lease a unit.
- Information for families that qualify to lease a unit outside the HABC jurisdiction under portability procedures, the information must include an explanation of how portability works.
- The HUD required tenancy addendum, which must be included in the lease.
- The Request for Tenancy Approval (RFTA) form, and a description of the procedure for requesting approval for a tenancy.
- An "Owner Checklist" to be completed by potential landlords.
- A statement of HABC policy providing information regarding families to prospective owners.
- HABC Subsidy Standards including when and how exceptions are made.

- The HUD brochure on how to select a unit and the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.
- The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home* and information about where blood lead level testing is available.
- Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form to include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws, guidelines, the phone numbers of the local fair housing agency, and the HUD enforcement office.
- Instructions and assistance in accessing and using a web-based service ([www.GoSection8.com](http://www.GoSection8.com)) providing listings of available rental units.

*Note:* This service allows property owners and managers who agree to accept Housing Choice Voucher Program participants to list properties they currently have available for rental. Information listed includes the unit address, bedroom size, whether utilities are included in rent and whether the unit is accessible or has accessible features. This service is accessible through the "Housing Choice Voucher Program" link on the HABC's web page ([www.HABC.org](http://www.HABC.org)).

- A list of properties located in the Baltimore area whose landlords, due to the receipt of federal funds (HOME, CDBG or LIHTC), must accept Housing Choice vouchers from otherwise eligible applicants.
- The family obligations under the program including any obligations of a family participating in the welfare to work voucher program.
- The grounds for which HABC may terminate assistance for a participant family because of family action or failure to act.
- HABC informal hearing procedures including when HABC is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.
- Information regarding HABC outreach programs that assist families who may be interested in or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.
- A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration.
- The family's rights as a tenant and a program participant.
- The Tenant/PHA/Owner responsibilities.

- The requirements for reporting changes between scheduled re-examinations.
- Information on security deposits and legal referral services.
- The Family Self Sufficiency program and its advantages.

### 8.3.3 Owner Outreach

The following efforts may be undertaken to increase the number of landlords participating in the program and to increase the number of units outside of areas of racial or poverty concentration.

- Attending broker fairs and real estate auctions and meeting with commercial brokers, real estate associations and real estate companies.
- Providing a free rental property listing service. Listings entered are made available to Housing Choice Voucher Program participants. This service is accessible through the "Housing Choice Voucher Program" link on HABC's web page [www.HABC.org](http://www.HABC.org)).
- Conducting cold calls.
- Establishing relationships with real estate companies that will, for a fee, find new landlords in neighborhoods outside of areas of minority and poverty concentrations for HABC families who want to stay in Baltimore City. The identity of landlords in neighborhoods outside of areas of minority and poverty concentrations will be provided to the Special Mobility Counselor.
- Holding open houses for interested landlords to advise them about the Housing Choice Voucher Program. (Open houses may include outside speakers)
- Providing incentives to attract new landlords into the program.
- Providing incentives to landlords that provide units in neighborhoods in areas outside of poverty and minority concentrations.
- Holding annual landlord update meetings.
- Holding monthly "New Landlord Briefings."
- Providing assistance to landlords that need help in dealing with voucher holder tenants, have questions or concerns about the program, etc.

### 8.3.4 Other Steps to Increase Landlord Participation

- Using HABC's web page to market housing choice voucher program to landlords;
- Holding workshops, special events, etc.;
- Airing Public Service Announcements regarding HABC and the HCVP.



### 8.3.5 Owner Briefing

Scheduled briefings may be held during the month for both existing landlord outreach and for prospective landlords.

New and prospective owners may receive an invitation via e-mail upon request. Current owners will be notified via e-mail or newsletter. The purpose of the briefing is to ensure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties: HABC staff, owners, and participating families.

### 8.3.6 Encouraging Participation in Areas of Low-Poverty / Minority Concentration

HABC has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration. Under this policy, HABC will inform voucher holders of the full range of areas where they may lease units both inside and outside HABC's jurisdiction. HABC will supply a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentrations. HABC will inform voucher holders about the mobility counseling programs.

At the briefing, families are encouraged to search for housing in neighborhoods in areas outside of minority and poverty concentration and HABC will provide assistance to families who wish to do so. In addition, HABC will provide the following tools to assist families in moving to areas outside poverty and minority concentration:

- HABC has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.
- HABC has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.
- HABC will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.
- The assistance provided to such families includes:
  - Providing families with a search record form to gather and record information.
  - Direct contact with landlords and neighborhood groups.
  - Counseling with the family including formal mobility counseling provided through the Partial Consent Decree.
- Meeting with fair housing groups or agencies.

#### 8.4. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

HABC will give participants a copy of HUD Form 903 to file a housing discrimination complaint.

#### 8.5. SECURITY DEPOSIT REQUIREMENTS

Security deposits charged to families may be any amount the owner wishes to charge, subject to the terms of the lease and applicable state and local law. Security deposits may be no greater than the amount the owner charges non-assisted tenants in similar circumstances. HABC is not a party to security deposits, payments, or agreements. These arrangements are between the participant and the landlord only. Rental, or tenant rent share side agreements are a violation of HUD regulations.

#### 8.6. TERM OF VOUCHER

During the briefing session, each household will be issued a voucher that represents a contractual agreement between HABC and the family specifying the rights and responsibilities of each party. Receiving and signing a voucher does not constitute admission to the program. Admission to the program occurs when the lease and contract become effective.

##### 8.6.1 Expirations/Extensions

The voucher is valid for a total period of sixty (60) calendar days from the date of issuance.

One thirty (30) calendar day extension may be approved by the Program Specialist. The extension will only be granted after the provision of documentation of the family's search efforts. Upon receiving a request for an extension, either written or oral, the family may be required to provide a log or listing of the properties which they have attempted to rent and an explanation as to why they were unable to rent each unit.

Upon receiving a request, either written or oral, from a household that includes a member with a disability, HABC will extend the voucher term by an additional thirty (30) calendar days if needed as a reasonable accommodation. This accommodation will make the program accessible to and usable by a person with a disability. Approval of the accommodation depends on the provision of documentation of the family's search efforts or the reason(s) why a search could not be made. The family may be required to provide a log or listing of the properties which they have attempted to rent and an explanation as to why they were unable to rent each unit.

Request for additional extensions may be made, but the family may be required to submit documentation of the family's search efforts or other justifications as to why an extension should be granted.

Requests for extensions are to be made before the voucher expires. If the request for an extension is not made before the voucher expires because of extenuating circumstances such as hospitalization, an extension may be granted with the approval of the Senior Vice President or the designee.

Tolling time (see Tolling, below) is not considered part of the term of the voucher (either the original sixty (60) days or the extension). However, no voucher shall remain in effect for more than one hundred and fifty (150) calendar days from the date of initial issuance, unless:

- (a) the voucher holder is a person being displaced due to public action; or
- (b) as a reasonable accommodation for a person with a disability; or
- (c) because of extenuating circumstances, such as hospitalization.

In these cases, an additional extension and/or increase in maximum voucher life (150 days) may be granted at the discretion of and with written authorization by the Senior Vice President or designee.

If the voucher has expired and has not been extended by HABC or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing where a voucher has expired, and an extension has not been granted and will be notified in writing.

### 8.6.2 Tolling

The initial voucher term has a life of sixty (60) calendar days. The term is suspended upon the submission of the RFTA. If the RFTA does not result in an authorized lease up, the voucher term will resume from the date of the RFTA submission. For example, Ms. Smith submits her RFTA on day 25 of the initial 60-day voucher term. The unit passes rent reasonableness and the HQS inspection but 15 days after the RFTA was submitted the owner decides to rent to another person. Ms. Smith's voucher becomes active again with 35 days tolling time: 60 days (total life) – 25 days (day RFTA submitted) = 35 days remaining (tolling time). The time between submission of the RFTA and reactivation of the voucher (15 days) is not counted as part of the term of the voucher.

### 8.6.3 Assistance to Voucher Holders

Voucher holders will be notified at their briefing session that [GoSection8.com](http://GoSection8.com) is periodically updated and how the updated list may be obtained. Families who require additional assistance

during their search may call HABC's Leasing and Contracting Office to request assistance. HABC will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

#### 8.7. RETENTION OF VOUCHER - SPLIT HOUSEHOLDS

Split households occur when a family may separate for any reason such as divorce, legal separation, or other division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance and there is no determination by a court. In those instances when an applicant/participant family in possession of a voucher becomes divided into two otherwise eligible families HABC shall consider, in order, the following factors to determine which of the families will continue to be assisted:

- Which family unit retains the children or any disabled or elderly members;
- Recommendations of Social Service Agencies; and
- Which family member applied as head of household.

Documentation of these factors will be the responsibility of the requesting parties and approval is at the discretion of the HCVP Senior Vice President, or designee.

If documentation is not provided, HABC may terminate assistance on the basis of failure to provide information necessary to re-determine family composition as it relates to the family obligations.

#### 8.8. RETENTION OF VOUCHER - REMAINING MEMBER OF PARTICIPANT FAMILY

Persons that are a part of the household at the time of review may be considered remaining members of the participant family. A live-in aide, 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:

- The court has to have awarded emancipated minor status to the minor, or
- HABC has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child or children for an indefinite period.

Any additional family member must follow "tenant screening protocol" as dictated in this Administrative Plan. A reduction in family size may require a reduction in the voucher family unit size.

## Chapter 9: REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

### 9.1. INTRODUCTION

HABC program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. HABC objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within HABC's area of jurisdiction, or outside of HABC jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with HABC.

This chapter defines the types of eligible housing, HABC policies that pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Tenancy Approval (RFTA).

### 9.2. REQUEST FOR TENANCY APPROVAL (RFTA)

The family and/or owner/agent must submit the completed Request for Tenancy Approval (RFTA) and other documents as deemed necessary by HABC's MTW requirements. The RFTA must be submitted in the form and manner required by HABC. The owner and voucher holder must sign the RFTA. HABC will not permit the family to submit more than one RFTA at a time, nor will HABC permit a landlord to complete more than one RFTA per unit at a time.

HABC will review the RFTA documents to determine whether or not they are approvable. The request will be approved if:

- The unit is an eligible type of housing.
- The unit meets HABC's Housing Quality Standards.
- The rent is reasonable.
- The security deposit is in accordance with any State and local laws and regulations.
- The proposed lease complies with HABC's MTW requirements and Fair Housing laws.

- The owner is approvable, and there are no conflicts of interest (See Chapter 16 section below).
- At the time a family initially receives assistance in a unit (new admissions and moves), the gross rent for the unit exceeds the applicable payment standard for the family. The family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).
- The RFTA does not conflict with the goals or interests of HABC or Housing Choice Voucher Program participants (see Chapter 16 of this Administrative Plan).

### 9.2.1 Disapproval of RFTA

If HABC determines that the request cannot be approved for any reason, the landlord and the family will be notified. HABC will instruct the owner and family of the steps that are necessary to approve the request, if applicable. When, for any reason, an RFTA is not approved, HABC will furnish a new RFTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

## 9.3. ELIGIBLE AND INELIGIBLE TYPES OF HOUSING

### 9.3.1 Eligible Housing Types

HABC will approve any of the following types of housing in the voucher program, in accordance with the requirements of the program, and as specified in Chapter 20:

- All dwelling unit structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and the pad.
- Manufactured homes where the tenant owns the mobile home and leases the pad for [vouchers].
- Group homes.
- Congregate facilities (only the shelter rent is assisted).
- Single room occupancy (SRO).
- Units owned (but not subsidized) by HABC (following HUD- prescribed requirements).
- Cooperative Housing.
- Homeownership.

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

### 9.3.2 Ineligible Housing Types

HABC may not permit a voucher holder to lease a unit:

- that receives project-based Section 8 assistance or any duplicative rental subsidies.
- in public housing or Indian housing.
- in a Nursing home, board and care home, or a facility providing continual psychiatric, medical or nursing services.
- in Colleges or other school dormitories.
- on the grounds of penal, reformatory, medical, mental- and similar public or private institutions.
- occupied by its owner, or by a person with any interest in the unit.

### 9.4. LEASE REVIEW

HABC will review the lease, particularly noting the compliance of optional charges with program regulations and overall compliance with regulations and state and local law.

The participant also must have legal capacity to enter into a lease under state and local law.

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

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law. The term of the lease may not be less than one year and may not exceed two years.

The lease must specify and include the following:

- Names of the owner, landlord and/or the property management company and names of the tenant and of all occupants of the assisted unit.
- Address of the unit rented (including apartment number, if any).
- Amount of the total contract rent.
- Move-in date and the start and end dates of the lease term.

- Utilities and appliances that are the owner's responsibility.
- Utilities and appliances that are the family's responsibility.
- No additional fees outside of lease terms.
- Dated signatures.
- Lead disclosure (if applicable).

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

The lease must provide that drug-related criminal activity, arrests and/or convictions, as engaged in by the tenant, any household member, or any guest on or near the premises or any person under the tenant's control on the premises are grounds to terminate tenancy. The lease must also provide that owner may evict the family when the owner determines that:

- Any household member is illegally using a drug.
- A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises).
- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises.
- Any violent criminal activity on or near the premises by a tenant, household member, or guest.
- Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

- Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees.
- Violating a condition of probation or parole imposed under Federal or State law.



House Rules of the owner may be attached to the lease as an addendum, provided they are approved by HABC to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

#### **9.4.1 Actions before Lease Term and Execution of the Housing Assistance Payment (HAP) Contract**

Below is a listing of all required documentation and actions new owners must take and submit prior to the execution of any new HAP Contract. All of the following must be submitted before the beginning of the initial lease term for a unit and prior to execution of the HAP Contract. Failure to submit any of the required documentation within a reasonable timeframe as specified by HABC may result in denial or termination of a HAP Contract. The following must be submitted and/or verified before execution of the HAP Contract:

- HABC must inspect the unit to determine the unit satisfies the housing quality standards.
- HABC must determine that the rent charged by the owner is reasonable.
- Owner must provide the following required documentation prior to unit inspection:
  - MDE Lead Certification
  - Government Issued Photo ID (a clear copy) for the owner and for the person signing on behalf of the owner
  - Rental Property License and Registration Receipt from Baltimore City Department of Housing & Community Development (DHCD)
  - If LLC or company, Articles of Organization and Operating Agreement
  - Tax Identification Number on IRS letterhead or official SSA or IRS documents
  - W-9 Tax forms
  - Direct Deposit form (will require voided check or bank account verification form)
  - Use & Occupancy Certificate, if applicable
  - Proof that the water bill is paid in full
  - Management/Agent Agreement
  - Notarized Owner Affidavit (in lieu of Photo ID, Property Management and Operating Agreements and/or authorization letters)

- For Estates, please provide a Death Certificate, State of Maryland Letters of Administration, and proof of the EIN for the Estate.
- Owner must confirm active and legal utility service through Inspection process.
- The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum.
- HABC has approved leasing of the unit in accordance with program requirements.
- When the gross rent exceeds the applicable payment standard for the family, HABC must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income at initial voucher issuance or when moving to a new unit, unless approved as a reasonable accommodation.

#### 9.5. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease. The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction. Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease however HABC is not a responsible party in this type of agreement.

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

In order to enter into a separate agreement, the family must have the option of not utilizing the service, appliance or other item. If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. All agreements for special items or services must be attached to the lease approved by HABC. If agreements are entered into at a later date, they must be approved by HABC and attached to the lease.

## 9.6. INITIAL INSPECTIONS

See Chapter 10 of this Administrative Plan.

## 9.7. RENT LIMITATIONS

HABC will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from HABC, the owner certifies that the contract is not more than rent charged by the owner for comparable unassisted units in the premises. The owner may be required to provide HABC with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by HABC.

## 9.8. DISAPPROVAL OF PROPOSED RENT

In any of the programs, if the proposed gross rent is not reasonable, at the family's request, HABC will negotiate with the owner to reduce the rent to a reasonable rent. If, in the voucher program, the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, HABC will negotiate with the owner to reduce the rent to an affordable rent for the family.

If the rent can be approved after negotiations with the owner, HABC will continue processing the RFTA and lease. The owner must submit a new RFTA when the revised rent involves a change in the provision of utilities. If the owner does not agree on the rent to owner after HABC has tried and failed to negotiate a revised rent, HABC will inform the family and owner that the lease is disapproved.

## 9.9. INFORMATION TO OWNERS

HABC will furnish prospective owners with the family's current address as shown in HABC records and, if known to HABC, the name and address of the landlord at the family's current and prior address. HABC will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection (under VAWA and/or IVIW protections).

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

HABC will also acknowledge that the family and adult members have been checked for criminal activity.

A statement of HABC policy on release of information to prospective landlords will be included in the briefing packet that is provided to the family.

Where HABC is an applicant's prior landlord, HABC will provide information, based on documentation in the tenant folder that includes eviction history, any record of damage to rental units and other aspects of tenancy history. Only the Public Housing Manager or designee may provide this information. HABC policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

#### 9.10. OWNER DISAPPROVAL

See Chapter 16 of this Administrative Plan

#### 9.11. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified, and the total family share will be recalculated. If the family does not report any change, HABC need not obtain new verifications before signing the HAP contract, even if verifications are more than sixty (60) days old. A full reexamination of household information will be required when a household is issued a voucher to move and more than one-hundred and fifty (150) days has elapsed since the last reexamination effective date.

#### 9.12. CONTRACT EXECUTION PROCESS

HABC prepares the Housing Assistance Payment contract (HAP), Move-In Authorization, and reviews the lease prior to execution. HABC may decline to approve tenancy if HABC determines that the lease does not comply with State or Local law. Once approved, the

family and the owner will execute the lease agreement, and the owner and HABC will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. HABC will retain a copy of all signed documents.

After successful contract negotiations, HABC may commence payments to the owner. The Senior Vice President may approve, in writing, move-in authorization prior to execution of the HAP contract. Such written authorization will include a rent effective date and a HAP start effective date and the agreed upon rent. No payments will be made, however, until the HAP contract is executed.

HABC requires the following information from the landlord or the authorized agent/representative, to execute the HAP contract:

- An employer identification number or social security number.
- A copy of the driver's license or other photo identification for the owner and the owner's representative (who may be signing the contract on the owner's behalf).
- If ownership cannot be validated through third party verification, owners must submit proof of ownership of the property, such as a grant deed or tax bill.
- A copy of the management agreement if the property is managed by a management agent.
- A home telephone number and business number if applicable.
- Rental Property License and Registration receipt from the Baltimore City Department of Housing and Community Development (DHCD).
- For properties constructed prior to 1978, a license from the Maryland Department of the Environment, Lead Prevention Program.
- HABC's Electronic Direct Deposit Request Form (will require voided check or bank account verification letter); and
- Notarized Owner Affidavit (in lieu of Photo ID, Property Management and/or Operating Agreements and authorization letters).

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. HABC may waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

### 9.13. CHANGE IN OWNERSHIP

See Chapter 16.

## Chapter 10: HOUSING QUALITY STANDARDS AND INSPECTIONS

### 10.1. INTRODUCTION

Housing Quality Standards (HQS) are the minimum quality standards for tenant-based programs adopted by HABC. HQS are required both at initial occupancy and during the term of the lease. HQS applies to the building and premises, as well as the unit.

Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and Housing Assistance Payments (HAP) contract.

HABC's goals are to inspect all new units before HAP contract execution, and all units under contract at least one time every two (2) calendar years, as authorized under 24 CFR 982.405. HABC will conduct additional inspections as deemed necessary or at the request of program stakeholders.

HQS inspections are performed by trained HCVP (Section 8) inspectors using HUD form 52580A (available at <http://www.hud.gov/offices/pih/programs/hcv/forms/forms.cfm>). HABC will normally schedule inspections on business days between the hours of 9:00 A.M. and 4:00 P.M. The owner and the voucher holder will receive a copy of the inspection form. Completed records will be maintained according to HABC record retention rules and procedures. Inspection standards are ensured through Quality Control Inspections conducted by the HCVP Inspections Production & Quality Control Supervisor, or other designated person within forty-five (45) calendar days of the previously completed inspection. Quality Control Inspections will be conducted on an appropriate number of files to maintain HABC required standards and to assure consistency in the HABC program.

This chapter describes HABC procedures for performing HQS and other types of inspections, and HABC standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HABC requirements. (See additions to HQS).

Within the context of the Moving to Work agreement, HABC will be developing its own housing quality standards, forms and procedures to better meet local needs and requirements.

### 10.2. GUIDELINES/TYPES OF INSPECTIONS

HABC has adopted the following local requirements of acceptability in addition to those described in HUD regulation [24 CFR § 982.401](#):

### 10.2.1 Walls

In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.

Any exterior or interior surfaces with peeling or chipping paint must be scraped to remove the deterioration and repainted with two coats of unleaded paint or other suitable material.

### 10.2.2 Windows

All window sashes and balances must be in good condition. Damaged or deteriorated sashes and/or balances must be replaced.

Window screens must be in good condition. (Applies only if screens are present)

### 10.2.3 Door

All exterior doors must be weather-tight, lockable, have no holes, and have all trim intact.

### 10.2.4 Floors

Any loose or warped boards must be secured and made level. All floors must be in a finished state (no plywood).

### 10.2.5 Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

### 10.2.6 Security

If window security bars or security screens are present on any exterior windows, they must be equipped with a quick release system; exceptions may be made to align with the International Fire Code. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

### 10.2.7 Bedrooms

A bedroom by definition is a private room or chamber to accommodate sleeping of at least one person. There is no minimum square foot requirement. However, as a general rule,



approximately seventy square feet (70sq.ft.) is considered a base line, but no bedroom should be smaller than sixty square feet (60sq.ft.). All bedrooms must have access directly from the public spaces through a door that has, at a minimum, a passage lockset.

All bedrooms must have exposure to the exterior with a functioning window. On pre-contract inspections, skylights will no longer be considered windows. All bedrooms must have adequate electrical service.

A bedroom can only be located in the basement if all the conditions cited above exist, as well as the following:

1. There must be four-season controlled air through properly functioning HVAC system.
2. There must be an unobstructed window with allowable light through 75% of the masonry opening.
3. There must be a minimum ceiling height of 84in (or 7ft) clear headroom. Structural obstructions (beams, ventilation, piping, soffits, etc.) must be limited to less than 30% of the square footage of the ceiling and cannot protrude below 76in.

Bedrooms in attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.

Minimum bedroom ceiling height is 7'6" or as defined by local code (International Property Maintenance Code).

#### 10.2.8 Dens

A den by definition is a public multi-purpose room and is not intended to be a private chamber or bedroom. Its uses are (but not limited to) family room, playroom, library, study, or home office. There are no minimum or maximum square footage requirements. Dens can have electrical service and direct exposure to sunlight by window and/or doors. Absence of these amenities does not automatically qualify the space to be a den.

The following conditions shall be evaluated when assessing whether space should be considered a den:

1. All spaces in the footprint of the building must be assessed as part of the residence. A room cannot be blocked off and not counted as part of the residence regardless of the previous use of that space.
2. Conversion of an existing bedroom to create a den must meet criteria specified within this Section of the Administrative Plan and be approved by HABC.
3. Blocking a window to create a "non-lighted" room does not create a den.
4. Removing outlets or replacing outlet plates with blank covers does not create a den.

5. Removing a door to create a “non-private” space does not create a den.
6. Removing a ceiling fixture does not create a den.
7. A den cannot be a private room.

“As built” dens are permitted and can be assessed as an amenity if the following conditions apply:

1. It may or may not have direct access to the exterior (either window or door).
2. It may or may not have electrical outlets.
3. It must be a permanent public space.

A structural redesign can create a den if the following conditions exist:

1. The space must be a public space prior to the HQS inspection.
2. If a door existed, the door, jamb and all casing must be removed, all adjacent walls must be re-finished, and public access must be granted.
3. If the windows are removed, there must be permanent blockage of the window and this includes removal of the window, framing, sill, and a permanent treatment to exterior and skin of the building.
4. If electrical outlets are removed, all wiring to the breaker panel must be removed as well.

If there is any uncertainty in the assessment, the inspector should discuss specific conditions with the HCVP Inspection’s Manager or Senior Manager.

### 10.2.9 Modifications

Modifications or adaptations to a unit due to a disability must meet all applicable housing quality standards and building codes.

Additional information on applicable Housing Quality Standards may be accessed from HABC’s website by visiting the HABC’s website and clicking on the HQS Inspection checklist: <https://www.habc.org/habc-information/programs-departments/hcvp/hcvp-landlords/hcvp-property-regulations/>. It can also be found in Chapter 10 of HUD’s *Housing Choice Voucher Program Guidebook* ([https://www.hud.gov/sites/documents/DOC\\_35620.PDF](https://www.hud.gov/sites/documents/DOC_35620.PDF)).

Extensions for repair items not required by HQS will be granted for modifications to the unit if agreed to by the voucher holder and landlord. HABC will allow execution of the HAP contract if the unit meets all requirements and the modifications do not affect the livability of the unit.

Efforts will be made to point out other deficiencies and to encourage owners to provide housing above minimum standards. HABC will not promote any additional acceptability criteria likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the effective date of the HAP contract. If the utilities are not in service at the time of inspection, the inspector will stop the inspection immediately and notify the owner to have the utilities turned on. Once the owner notifies HABC that the utilities are turned on, HCVP will schedule a re-inspection to confirm active and legal utilities. This will occur prior to contract execution. If the unit shows any signs of illegal or fraudulent utility hook-up, the inspection will be terminated immediately, and the voucher holder will be given a new Request for Tenancy Approval (“RFTA”) form to find another unit.

If the voucher holder is responsible for supplying the stove and/or the refrigerator, HABC will allow the stove and refrigerator to be placed in the unit after the unit passes all other HQS. The family must then certify to HABC in writing that the appliances are in the unit and working. HABC will not conduct a re-inspection.

#### 10.2.10 Types of Inspections

There are 6 types of inspections HABC performs:

1. Pre-Contract (aka Initial): Conducted upon receipt of Request for Tenancy Approval.
2. Biennial (or Regular): Must be conducted once within at least a 24-month period and is scheduled on a regular basis. Some units may be inspected on an annual basis, as determined by HABC. *\*Self-Certification is available (see Self-Certification at Chapter 10, Section 10.4.2)*
3. Follow-Up or Re-Inspection: Follow-up for failed, incomplete or unable-to-conduct inspections; not required on self-certified items.
4. Special/Complaint: At request of owner, family or an agency or third-party.
5. Move-out/Vacate: At the request of the landlord to document tenant damages.
6. Quality Control: Concurrent or within forty-five (45) calendar days of the previously completed inspection.

### 10.3. PRE-CONTRACT (INITIAL) HQS INSPECTION

#### 10.3.1 Timely Pre-Contract (Initial) HQS Inspection

The family and the owner will submit an RFTA and other documents as required by HABC that must include:

- Lead certificate (on units built pre-1978);
- MDE certification;

- Baltimore City Rental certification / Property Registration; and
- All other required documentation (see Chapter 9, Section 9.4.1).

Units must have active utility services at the time of this initial inspection. If the unit shows any signs of illegal or fraudulent utility hook-up, the inspection will be terminated immediately, and the voucher holder will be given a new RFTA to find another unit.

HABC will inspect the unit and determine whether the unit satisfies HABC's housing quality standards within fifteen (15) calendar days of the RFTA submission and/or the receipt of all required documents from the owner as mentioned above, whichever comes later. The owner and the family will be notified of the outcome of the inspection.

The Pre-Contract (Initial) Inspection will be conducted to:

- Determine if the unit and property meet the housing quality standards defined in this Plan.
- Document the current condition of the unit to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.
- Document the information to be used for determination of rent reasonableness.

If the unit fails the initial housing quality inspection, the owner will be given up to fifteen (15) days to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done. The owner will be allowed one (1) re-inspection upon notification that repairs have been completed.

HABC may agree to further follow-up inspections and may impose fees upon owners for these additional inspections. If an initial pre-contract inspection is scheduled for a unit, and that unit is not ready by the time a HCVP Inspector arrives, HABC may charge for any follow-up inspection on that same unit. Owners are encouraged to have their units ready for inspection by the date they specify on the RFTA. If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

If the unit is not ready at the time of the initial inspection, the voucher holder will be given a new RFTA to find another unit.

### 10.3.2 Pre-Contract HQS Site and Neighborhood Conditions

HCVP Inspectors will also inspect site and neighborhood conditions. The site and neighborhood must be reasonably free from disturbing noises and reverberations or other dangers to health,

safety, and general welfare of the occupants. Examples of conditions that would “seriously and continuously endanger the health or safety of the residents” are:

- Other buildings on or near the property, that pose serious hazards;
- Evidence of flooding or major drainage problems;
- Evidence of mud slides or large land settlement or collapse;
- Proximity to open sewage;
- Unprotected heights;
- Rodent, animal and insect infestations;
- Abnormal air pollution or smoke which continues throughout the year and is determined to seriously endanger health, and
- Continuous or excessive vibration of vehicular traffic.

#### 10.4. **SCHEDULED INSPECTIONS**

##### 10.4.1 **Biennial Inspections**

HABC has moved to a biennial inspection schedule in order to ensure that the highest housing quality standards are maintained and that HABC resources are utilized in an efficient and effective manner. HABC will inspect all units under contract in accordance with its housing quality standards. Upon completion of an inspection, HABC will determine whether the unit passes or fails. If the unit passes the inspection, HABC may schedule the next inspection within 18-months to ensure a full inspection is completed within the 24-month period. Example: If a unit already under contract is inspected on May 1, 2019 and passes, the next inspection may not be completed until May 1, 2021 (unless requested or at HABC’s discretion).

Units which do not meet HQS inspection standards consistently will be inspected as needed. HABC reserves the right to set and modify the inspection schedule for each unit. Special inspections may be scheduled at any time at HABC’s discretion.

##### 10.4.2 **Self-Certification for Owners**

HABC will allow owners to self-certify units which have a record of meeting inspection standards, for minor non-health and safety related violations remedied and documented within a restricted timeframe.

Self-certification is the process by which a landlord remedies a violation and obtains the voucher holder's signature as confirmation that the violation was corrected without the need for an inspector to return to the property for a second inspection.

HABC will determine if a unit is eligible for self-certification. Health and safety violations will not be considered for self-certification. Units that are not under contract will not be eligible for self-certification until their first post-contract inspection. Owners must request to self-certify that violations have been corrected. The HQS Owner Self-Certification Form must be submitted to HABC and can be downloaded through the Landlord Portal or by visiting HABC's Website:

- a) Visit [www.HABC.org](http://www.HABC.org);
- b) Click on the HCVP Link at the top of the page;
- c) Scroll down to the bottom and click the Landlords link;
- d) Click the Relevant Forms link at the bottom;
- e) Click on the second link listed, for the Self-Certification of HQS Inspection Form.

The completed form must be sent to and received by HABC within five (5) business days of the re-inspection date. The Self-Certification Form includes a waiver that indemnifies HABC from liability against any violations that were not corrected. Quality Control Inspections will be randomly performed.

If the self-certification request is approved, the re-inspection date will be cancelled. If the completed Self-Certification Form is not received a minimum of five (5) business days prior to the next scheduled re-inspection date, the re-inspection will take place as scheduled.

If a Quality Control inspection is conducted, and it is determined that the violation was NOT addressed, the landlord that falsified the self-certification may be prohibited from future participation in the self-certification process for a period of two (2) years from the date that the initial violation passes the Quality Control re-inspection.

All twenty-four (24) hour violations will be excluded from this provision due to the heightened standard of posing an immediate risk and/or danger to the household.

#### **10.4.3 Scheduling Inspections (Biennial or Regular Inspections only)**

HABC will notify the family and owner of the date and time of the inspection appointment by mail at least fifteen (15) calendar days prior to the scheduled inspection date. If the family, designee of the family (someone at least eighteen (18) years of age) or the landlord is unable to be present, the family and/or landlord must reschedule the appointment so that the inspection can be completed in a timely manner.

If HABC cannot gain access to the unit at the time and date scheduled, a card will be left at the unit and another inspection will be scheduled. The participant and landlord will be notified by mail of the new scheduled inspection date and time and that a second failure to gain access will lead to suspension of HAP payments to the owner and an end of participation in the HCVP for the voucher holder.

No more than two (2) attempts to inspect are required. HABC may conduct other types of inspections as needed that may require immediate notification (i.e. emergency, special or complaint inspections).

#### 10.4.4 Inspection Outcomes

If, at the time of the inspection, the unit meets HABC's housing quality standards no further action will be taken.

If, at the time of the inspection, the unit fails to meet HABC's housing quality standards, the owner and voucher holder will be notified of the reasons for the failure. The owner is responsible to correct all deficiencies which cause a unit to fail unless it is a fail for which the voucher holder is responsible. The voucher holder shall be required to correct deficiencies determined to be within the tenant's responsibility (see Family Obligations in Chapter 15, Section 15.5). HABC reserves the right to issue participants an HQS voucher upon discovery of re-occurring violations affecting the health and safety of the family living in the unit.

HABC will allow the owners that are in good standing with HABC (an owner in good standing is one whose units consistently met inspection standards) to request to self-certify all minor non-health and safety violations have been corrected. Units that are not under contract will not be eligible for self-certification until their first post-contract inspection. Eligible landlords will sign a waiver that will protect HABC from indemnification for any violations that were not corrected. Voucher holder signatures will need to be obtained to verify that the violations were corrected. Quality Control Inspections will be randomly performed.

If a Quality Control inspection is conducted, and it is determined that the violation was NOT addressed, the landlord that falsified the self-certification may be prohibited from future participation in the self-certification process for a period of two (2) years from the date that the initial violation passes the Quality Control re-inspection.

All twenty-four (24) hour violations will be excluded from this provision due to the heightened standard of posing an immediate risk and/or danger to the household.

#### 10.4.5 Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within twenty-four (24) hours of notification (See Emergency Repair Items section.).

For non-emergency items, repairs must be made within thirty-five (35) calendar days. For major repairs, the Senior Vice President or designee may approve an extension beyond thirty-five (35) days. A follow-up inspection will take place between thirty-five (35) and forty-five (45) calendar days of the identification of a failed item.

#### 10.4.6 Follow-Up Inspections

One follow-up inspection will be scheduled based on the time standards listed above. The voucher holder and landlord will receive notification of the date and time of the follow-up inspection. If the unit meets standards as of the follow-up inspection, no further action will be taken.

If the unit fails to meet standards as of the follow-up inspection, or if HABC cannot gain access to the unit to determine if the unit meets standards, or if no landlord certification is received for non-major items in failed status within five (5) business days of the scheduled re-inspection date, both the landlord and participant will be notified of the failure to meet housing quality standards and the following actions will be taken:

- a) If the failure is solely the responsibility of the owner, HAP payments will be suspended and the voucher holder (if in good standing) will be issued a voucher to move to a new unit;
- b) If the failure is solely the responsibility of the voucher holder, then proceedings will continue to end that voucher holder's participation in the HCV program;
- c) If both the owner and the voucher holder have responsibility for the failure, then HAP payments will be suspended, and proceedings will continue to end the voucher holder's participation in the HCV program (see Sections 10.9 and 10.11 of this chapter).

HABC may agree to make additional follow-up inspections at its discretion after notification by the owner of correction of the failed item(s). HABC may impose fees upon owners for these additional follow-up inspections (see Section 10.4.8).

If, upon further inspection, the unit is found to be in compliance with HQS, payments will resume to the owner. If the household has not relocated or if the household has not submitted an active Request for Tenancy Approval (RFTA) prior to the unit being found in compliance with HQS then any voucher to move issued as a result of a previous HQS failure will be cancelled.



The participant may then request a move voucher according to standard HABC procedures (see Chapter 13, Moves with Continued Assistance/Portability).

#### 10.4.7 Rent Adjustments

Rent adjustments to owners will not be approved if the unit is in a failed status.

#### 10.4.8 Circumstances under which Fees may be Applied

Outlined below are the circumstances under which re-inspection fees will be charged (applies to both tenant-based and project-based programs):

1. An owner notifies HABC that a deficiency cited in a previous re-inspection has been repaired or the allotted time for repairs has elapsed, and in either case the previously cited deficiency has NOT been corrected. HABC may require the owner to pay a re-inspection fee prior to conducting a second re-inspection. An example of this provision is as follows:
  - A unit fails its regular inspection on March 5: No fee.
  - A re-inspection on April 4 reveals that the previously cited deficiencies have not been corrected: No fee, but HAP is abated.
  - On April 30, the owner notifies HABC that the previously failed items have been corrected. Prior to HABC conducting a second re-inspection, HABC will charge, and the owner must pay, a re-inspection fee.
  - Re-inspection fees will be charged for each additional re-inspection until the unit receives a pass rating.
2. For a unit not currently under HAP contract and where an HQS inspection has been scheduled, HABC will charge the owner for a re-inspection if the unit is not ready for inspection, e.g. plumbing fixtures or appliances are not connected, the unit is under construction, disconnected or illegal utilities, excessive violations or the owner fails to provide access to the unit.
3. For a unit not currently under HAP contract, HABC will provide owners with a self-inspection checklist as part of the Request for Tenancy Approval (RFTA). The checklist will include guidance that upon inspection by HABC, if the unit fails inspection, HABC will schedule a re-inspection. There will be no fee for the first re-inspection. If the unit fails at the first re-inspection, HABC will charge the owner a re-inspection fee for the second re-inspection if the family wishes to continue the process of leasing that

unit. The re-inspection fee must be paid in full prior to HABC conducting a second re-inspection of the unit. An example of this provision is as follows:

- Completed RFTA and inspection checklist are submitted by an owner. HABC inspects the unit, and the unit fails this initial inspection: No fee.
- HABC will give the owner 15 days to correct the deficiency and conduct the first re-inspection: No fee.
- If the unit fails the first re-inspection for deficiencies found on the initial inspection that have not been corrected, HABC will issue the tenant a new RFTA.
- If the owner notifies HABC that the family is still interested in the unit and requests a second re-inspection, advising that the deficiency has been corrected, HABC will first confirm with the family that they are still interested; the owner will be charged for this re-inspection.
- HABC will not reschedule the re-inspection until the owner pays the re-inspection fee.
- Upon receipt of payment for the re-inspection fee, HABC will reschedule the second re-inspection.

It is important to note that owners will be charged a fee for repeated RFTA submissions for the same unit if that unit has failed an inspection within the prior 60 days. If there have been no inspections within the last 60 days, the RFTA will be treated as new, and the inspection process will start over as an initial inspection.

The re-inspection fee will not apply to:

- Deficiencies caused by the participant family;
- An instance in which an inspector was unable to gain access to a unit currently under HAP contract; or
- New deficiencies identified during a re-inspection. If new deficiencies are uncovered during the re-inspection, HABC will follow established procedures to address these newly identified deficiencies.

#### 10.5. MOVE OUT/VACATE

A move out inspection may be performed only at the landlord's request to document tenant damages. This type of inspection must be requested within 7-14 calendar days of the participant's move-out date.

#### 10.6. SPECIAL/COMPLAINT INSPECTIONS

If at any time the family or owner notifies HABC that the unit does not meet Housing Quality Standards, HABC will conduct an inspection. HABC may also conduct a special inspection based on information from third parties such as neighbors or public officials.

HABC will be required to inspect only the items that were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. If the scheduled inspection date is within ninety (90) calendar days of a special inspection, a full inspection may be conducted, and the special inspection will serve as the regularly scheduled inspection.

#### 10.7. QUALITY CONTROL INSPECTIONS

Quality Control inspections will be performed by Inspection's Production and Quality Control Supervisor, Inspections Manager or designated person for a sampling of recent inspections. The purpose of Quality Control inspections is to assure that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HABC's housing quality standards.

The sample files will include recently completed inspections (i.e., within forty-five (45) calendar days), a cross-section of neighborhoods, and a cross-section of inspectors.

The Quality Control inspections will also be performed on units in which the landlord/owner has self-certified that all violations have been corrected and will be randomly chosen in these instances.

#### 10.8. EMERGENCY REPAIR ITEMS

The following items are considered of an emergency nature and must be corrected by the owner or voucher holder (whoever is deemed responsible) within twenty-four (24) hours of notice by the inspector:

- Waterlogged ceiling in imminent danger of falling

- Major plumbing leaks or flooding
- Natural gas leak or fumes
- Electrical problem which could result in shock or fire
- No heat when outside temperature is below sixty (60) degrees Fahrenheit and temperature inside unit is below sixty-five (65) degrees Fahrenheit.
- Utilities not in service
- No running water; no hot water
- Obstacle which prevents entrance or exit
- Lack of functioning toilet
- Inoperable smoke detectors / carbon monoxide detectors
- Rat infestations
- Unsecure or broken exterior doors or windows
- Severe mold-like citing's
- Asbestos-like citing's
- Any other health- or safety-related violations as determined by HABC (i.e. fire, foundation, site & neighborhood conditions).

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by HABC.

If the emergency repair item(s) are not corrected in the time period required by HABC, and the owner is responsible, the housing assistance payment will be abated (Housing Assistance Payments suspended) and the HAP contract will be terminated.

If the emergency repair items are not corrected in the time period required by HABC and it is an HQS breach that is a family obligation, HABC may terminate the assistance to the family.

#### 10.8.1 HQS Site and Neighborhood Conditions

HCVP Inspectors will also inspect site and neighborhood conditions. The site and neighborhood must be reasonably free from disturbing noises and reverberations or other dangers to health, safety, and general welfare of the occupants.

Examples of conditions that would “seriously and continuously endanger the health or safety of the residents” are:

- Other buildings on, or near the property, that pose serious hazards;
- Evidence of flooding or major drainage problems;
- Evidence of mud slides or large land settlement or collapse;
- Proximity to open sewage;
- Foundation structure;
- Rodent, animal and insect infestations;
- Unprotected heights;
- Abnormal air pollution or smoke which continues throughout the year and is determined to seriously endanger health, and continuous or excessive vibration of vehicular traffic.

#### 10.9. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)

When it has been determined that a unit on the program fails to meet housing quality standards, the owner will be responsible for completing the necessary repair(s) in the time period specified by HABC. If the repairs are not completed within the time period specified, the assistance payment to the owner will be abated (Housing Assistance Payments suspended).

##### 10.9.1 **Abatement (Suspension of Housing Assistance Payments)**

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the date after the day of the failed re-inspection. HABC will inspect abated units within ten (10) business days of the owner's notification that the work has been completed. If the owner makes repairs during the abatement period and the abated unit passes inspection, the abatement will be lifted, and the HAP payments resumed as of the next monthly HAP payment cycle. No retroactive payments will be made to the owner for the period of time the rent was abated, and the unit did not comply with housing quality standards. The notice of abatement states that the participant is not responsible for HABC's portion of rent that is abated.

Notwithstanding the above, on a case-by-case basis, and when in the interest of HABC, the Senior Vice President for the Housing Choice Voucher Program, or designee, has discretionary authority to determine and implement the effective abatement end date. Documents delineating and supporting the rationale for such action shall be maintained.

### 10.9.2 Termination of Contract

If the owner is responsible for repairs and fails to correct all the deficiencies cited the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination may be rescinded by HABC if the voucher holder chooses to remain in the unit. Only one housing quality standard inspection will be conducted after the termination notice is issued.

HABC may impose a fee for performing this inspection (see Section 10.4.8 of this Chapter).

### 10.9.3 Self-Certification by Owner

HABC will allow owners in good standing with HABC (an owner in good standing is one whose units consistently met inspection standards) to request to self-certify all minor non-health and safety violations have been corrected. Units that are not under contract will not be eligible for self-certification until their first post-contract inspection. For more information on self-certification, please refer back to Section 10.4.2 of this Chapter.

## 10.10. DETERMINATION OF RESPONSIBILITY

Certain HQS deficiencies are considered the responsibility of the family:

- Tenant-paid utilities as detailed in the RFTA and lease are not in service;
- Failure to provide or maintain family-supplied appliances;
- Damage to the unit or premises beyond normal wear and tear caused by a household member or guest;
- Failure to maintain housekeeping responsibilities that lead to unsafe and unsanitary conditions, and possibly serious lease violations.

The owner is responsible for vermin infestations even if caused by the family's living habits. However, if such infestations are serious and repeated, it may be considered a lease violation and the owner may evict for serious and repeated lease violations. Family obligations prohibit voucher holders from committing serious or repeated lease violations and may result in referral for termination of assistance (see Chapter 15, Section 15.7.) and participation in the HCV Program.

Failure to allow owner's access to the assisted unit to make HQS repairs as cited by HABC is a violation of family obligations and may result in referral for termination of participation in the HCV Program.

The inspector will make a determination of owner or family responsibility during the inspection.

#### 10.11. CONSEQUENCES IF FAMILY IS RESPONSIBLE

If emergency violations of housing quality standards are determined to be the responsibility of the family, HABC will require the family to make repair(s) and/or correction(s) within twenty-four (24) hours.

If non-emergency violations of HQS are determined to be the responsibility of the family, HABC will require the family to make corrections within thirty (30) calendar days.

If the repair(s) or correction(s) are not made in the time period required by HABC, HABC may terminate assistance to the family.

The owner's HAP will not be abated for items that are the family's responsibility. If the voucher holder is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

#### 10.12. INSPECTION RULES, PROCEDURES AND FORMS

It is the intention of HABC to make all rules, procedures and forms related to the physical inspection of units available through the HCV section of HABC's website: [www.HABC.org](http://www.HABC.org). Hard copies will also be provided upon request.

##### 10.12.1 **Self-Certification by Owner**

HABC will allow owners in good standing with HABC (an owner in good standing is one whose units consistently met inspection standards) to request to self-certify all minor non-health and safety violations have been corrected. Units that are not under contract will not be eligible for self-certification until their first post-contract inspection. For more information on self-certification, please refer back to Section 10.4.2 of this Chapter.

##### 10.12.2 **Winter Waiver**

HABC will grant Winter Waivers of units that will be exempt during the cold weather seasons from the requirement to paint exteriors that have been found with deteriorating paint and/or repairing heaved or cracked concrete.

However, during this period owners will be obligated to remove any loose, chipping or peeling paint leaving a smooth surface and removing the paint chips from the ground. Heaved concrete

that creates a tripping hazard will also need to be remedied. HABC will confirm that these actions have been taken before the Winter Waiver is granted.

Owners that are granted a Winter Waiver will receive a letter scheduling the date that the unit will be re-inspected for proper correction of the deficiency. The letters will be mailed two (2) weeks prior to the inspection date. Units that do not pass the first Winter Waiver re-inspection shall be abated immediately. Owners must contact the HCVP Inspections office to schedule a second Winter Waiver inspection. Housing Assistance Payments (HAP) will not be paid retroactively once the unit passes inspection.

Winter Waivers may be requested by downloading the Request for Winter Waiver form online. Please go to [www.HABC.org](http://www.HABC.org) and click on the HCVP quick link, then on Frequently Requested Policies/Forms, and downloading item number four (4), Winter Waiver Request Form. This form can also be located on the Landlord Portal. The completed form must be submitted to HABC prior to the re-inspection date.

### 10.12.3 Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, HABC/HCVP requests that all HCV landlords/owners receive all communication through email, phone calls (robocalls), or text messaging. HCVP has received HUD approval to charge landlords that do not wish to participate in the paperless policy but has not implemented this policy at this time. HCVP may apply this policy to all paper statements/letters, including but not limited to inspection reports and paper checks, at any time.

It's important to note that HABC will provide advanced notice to all landlords prior to implementing this policy in the future.



## Chapter 11: OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

### 11.1. INTRODUCTION

HABC will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is HABC's responsibility to ensure that the rents charged by owners are reasonable, based upon unassisted comparable units in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains HABC procedures for payments to owners, determination of rent-reasonableness, adjustments to the payment standards, and rent adjustments.

### 11.2. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The rent to owner is limited by the rent reasonableness determination. HABC must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard (i.e., payment standard) at initial occupancy. At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family's monthly adjusted income.

During the initial term of the lease, the contract rent may not be adjusted.

### 11.3. MAKING PAYMENTS TO OWNERS

Once the HAP contract is executed, HABC begins processing payments to the landlord. A HAP Register will be used as a basis for HAP payments and for monitoring the accuracy and timeliness of the payments. The Housing Choice Voucher Program (HCVP) will submit an approved Payment Register to the Comptroller's office for check distribution each month.

Checks are disbursed bi-monthly, with the primary check run on, or around the 1st of the month distribution. A second run typically takes place on, or around the 15th. Written checks may be picked up at the Fiscal Operations Office at 417 East Fayette Street, Baltimore, MD 21202.

### 11.3.1 Direct Deposit

To assist HABC in its outreach efforts to owners and to provide better customer service, HABC mandates automatic monthly HAP deposits directly into the bank accounts of property owners/agents.

Property owners and agents may elect to receive paper statements and checks; however, they will only be available for pick up at the Fiscal Operations Office located at 417 East Fayette Street, Baltimore, MD 21202. Paper statements and checks will not be mailed.

Direct Deposit request forms may be obtained online via the Landlord Portal, or by visiting [www.HABC.org](http://www.HABC.org), or from the HCV Program Customer Service office.

### 11.3.2 Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, HABC/HCVP requests that all HCV landlords/owners receive all communication through email. HCVP has received HUD approval to charge landlords that do not wish to participate in the paperless policy but has not implemented this policy at this time. HCVP may apply this policy to all paper statements/letters, including but not limited to inspection reports and paper checks, at any time.

It's important to note that HABC will provide advanced notice to all landlords prior to implementing this policy in the future.

### 11.3.3 Excess Payments

The total of rent paid by the participant plus HABC's housing assistance payment to the owner may not be more than the contract rent to owner. The owner must immediately return any excess payment to HABC. Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to HABC" chapter of this Administrative Plan.

### 11.3.4 Owner Claims of Unpaid HAP

HABC will investigate claims by owners/agents of unpaid HAP provided that the alleged incident occurred not more than six (6) months previous to the owner/agent's submission of the claim with HABC. Claims will be processed as follows:

- HABC will investigate the claim and issue a decision within ninety (90) calendar days of the date the claim was submitted;

- HABC's decision may be appealed to the Senior Vice President or designee in writing within fifteen (15) calendar days of the decision;
- A final response will be rendered within thirty (30) calendar days of the appeal.

#### 11.4. RENT REASONABLENESS DETERMINATIONS

HABC will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. HABC will not approve a lease until HABC determines that the initial rent to owner is a reasonable rent.

HABC may re-determine the reasonable rent at the following times (not limited to):

- Before any increase in the rent to owner.
- If there is a ten (10%) percent decrease in HABC's Payment Standard in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with HABC's Payment Standard in effect one year before the contract anniversary.
- Based on a need identified by HABC's auditing system.
- Upon request by HUD.

HABC may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by HABC. The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

##### 11.4.1 **Rent Reasonableness Methodology**

HABC utilizes commercially available rent reasonableness systems (i.e. GoSection8 and other rental platforms) that generate and maintain an appropriately sized, up-to-date database of market-based comparable units in the subject market area; provides the analytical tools to analyze rent requests; and provides outcomes and supportable documentation which meet HUD rent reasonableness requirements.

HABC may adjust the system generated comparable rent when and if unit conditions are not fully represented in the system generated comps (i.e. if a unit is significantly upgraded or in a superior neighborhood) HABC may adjust the system generated comparable rent. Additionally, upon owner request and provision of relevant documentation (i.e. additional comparable unit rents or unit feature updates) HABC may review the reasonable rent determination and update the reasonable rent.

## 11.5. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM

The payment standard is used to calculate the housing assistance payment for a family. The voucher payment standard amount is set by HABC between 90 percent and 110 percent of the HUD published Fair Market Rents (FMR) for the Baltimore-Columbia-Towson HUD Metro FMR Area. This is considered the basic range. HABC reviews the appropriateness of the payment standard annually when the FMR is published. In determining whether a change is needed, HABC will ensure that the payment standard is always within the range of 90 percent to 110 percent of the published FMRs, unless there is an exception payment standard for the area that has been approved by HABC's Board to meet specific agency needs and/or goals.

HABC may establish multiple voucher payment standards within its jurisdiction. For each area, HABC will establish payment standard amounts for each "unit size". This practice will both ensure that the Housing Choice Voucher Program will not artificially inflate market rents within its jurisdiction and provide opportunity to expand housing outside areas of minority or poverty concentration. Payment standards assigned must be within 110% of the HUD published FMR range. HABC may approve a higher exception payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities or to meet specific agency needs and/or goals.

## 11.6. ADJUSTMENTS TO PAYMENT STANDARDS

Payment standards may be adjusted, within MTW regulatory limitations, to increase Housing Assistance Payments (HAP) in order to keep families' rents affordable. HABC will not raise payment standards solely to make "high end" units available to voucher holders.

### 11.6.1 **Adjustment Methodology**

HABC will establish a separate voucher payment standard, within the basic range, for designated areas of its jurisdiction. These standards will be established if HABC determines that a higher payment standard is needed in these areas in order to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low-income concentrations. If it is determined that particular areas or unit sizes in HABC's jurisdiction have payment standard amounts that are creating rent burdens for unsubsidized families, HABC will modify its payment standards for those particular locations and unit sizes.

HABC will utilize a rent burden measurement to objectively make its determination of whether an adjustment should be made to the payment standard. HABC will review its voucher payment

standard amounts at least annually to determine the relative range of total tenant payments and if:

- More than 40% of families in a particular area, unit size or housing type, are paying more than 30% of their annual adjusted income for rent, the payment standard will be adjusted up.
- At least 20% of the families are not paying more than 40% of their adjusted annual income for a particular area, unit size or housing type, the payment standard will be adjusted downwardly.

Other factors to be determined when performing the annual assessment and setting the payment standard include:

- Quality of Units Selected. HABC will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.
- Subsidy Standard Impact. HABC will review the average percent of income of families on the program. If more than 25% of families are paying more than 30% of monthly adjusted income, HABC will determine:
  - whether there are specific differences related to voucher size;
  - whether families are renting units larger than their voucher size;
  - and whether families are renting units which exceed HUD's HQS and any additional standards added by HABC in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units, HABC may decline to increase the payment standard. These units will be eliminated in the determination of payment standard adjustment.

### **11.6.2 Raising and Lowering of the Payment Standard**

Before increasing the payment standard, HABC may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served. For this purpose, HABC will compare the number of families who could be served under a higher payment standard with the number assisted under current payment standards.

Lowering of the FMR may require an adjustment of the payment standard. Additionally, statistical analysis may reveal that the payment standard should be lowered. In any case, the

payment standard will not be set below 90% of the FMR without authorization from HABC's board.

When the applicable payment standards decrease, HABC will adopt the Housing Opportunity through Modernization Act of 2016 (HOTMA) Hold Harmless Policy. The Hold Harmless Policy provides that if the payment standard changes, resulting in lower payment standard amounts and increased tenant portions, HABC will not reduce the standard used to calculate the subsidy for families already under HAP contract at the time of the decrease.

The Hold Harmless Policy allows families who remain in their unit to maintain their current payment standard for as long as they remain in that same unit, or until the payment standard increases. New admissions and families that move from their existing units into new units will have the applicable decreased payment standards applied to their new HAP Contracts. Applying this policy provides protection to HABC families so that their payment standard will not decrease while living in their current units.

### 11.6.3 File Documentation

Records will be retained by HABC for at least three years to document the analysis and findings to justify whether or not the payment standard was changed.

## 11.7. REQUEST FOR RENT ADJUSTMENTS

The owner is required to request a rent adjustment, in writing, at least sixty (60) but no more than ninety (90) calendar days before the anniversary date of the HAP Contract. Any approved rent adjustment will become effective no sooner than sixty (60) calendar days after the owner's request is received.

The approval or disapproval decision regarding the rent adjustment will be based on a rent reasonableness determination. The rent adjustment may result in an increase or a decrease in the HAP to the owner or the tenant rent to owner.

No more than one rent adjustment will be granted in any twelve-month period. No rent adjustment will be authorized within the initial lease term.

The notice of a rent adjustment change does not require a new lease, or HAP contract, or even an executed amendment.

The rent to owner for a unit will not be adjusted unless the owner has complied with all requirements of the HAP contract, including compliance with HQS, throughout the entire 12-month period prior to the request for a rent adjustment.

To request a rent adjustment the owner is required to submit a completed rent adjustment request form.

Rent adjustments are effective the first of a specified month.

Notwithstanding any of the above, HABC may suspend rent adjustments or take other rent-related actions if funds required to pay for those adjustments or current rent amounts are not available. HABC shall make every effort to minimize the effects of such actions.

## Chapter 12: REEXAMINATIONS

### 12.1. INTRODUCTION

In accordance with HABC's MTW requirements, all households participating in the Housing Choice Voucher (HCV) Program must periodically provide HABC with necessary, accurate information in order to verify continued eligibility for the HCV program. Generally, HABC will reexamine the income and household composition of all participating households once every twenty-four (24) months. Households with 100% fixed income, will be considered a "fixed income family" and will be reexamined once every thirty-six (36) months.

Reexaminations will be processed in a manner that ensures households are given reasonable notice of rent adjustments.

All reexamination activities will be coordinated in accordance with HABC's MTW regulations. It is an HABC MTW requirement that households report applicable changes in household composition and income in a timely manner.

This Chapter defines HABC policy for conducting reexaminations and coordinating reexamination activities. It also explains the interim reporting requirements for households, and the standards for timely reporting.

### 12.2. REEXAMINATIONS

HABC is responsible for reexamination and verification of household income, household composition and other eligibility data. HABC will implement online reexamination processes in FY2019, as a three- to six-month pilot program for a representative selection of participants. Upon completion of the pilot, HABC will implement the online reexamination policy for all participants. See Section 12.2.7 for more information on the online reexamination process.

HABC will generally conduct a reexamination of household income and composition for HCV households one time every twenty-four (24) months (biennial cycle).

Households who have 100% fixed income will be reexamined once every thirty-six (36) months.

HUD sources of "fixed income" include:

- Social Security payments, to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
- Federal, state, local, and private pension plans; and



- Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic payments.

HABC will continue to conduct annual (once every 12-months) reexaminations for the following:

- Zero Income Households (entire households reporting zero income)
- Residents living in Mod-Rehab and Mod-Rehab SRO units.
- Residents with other vouchers that do not qualify based on HUD funding restrictions (i.e., Veterans Affairs Supportive Housing (VASH), etc.).
- Residents with Homeownership vouchers.

At each re-examination (annual, biennial, or triennial and on interims but only for family composition changes), HABC will formally check criminal history for all members of the household who are fourteen (14) years of age or older, to determine whether any such member has engaged in drug-related, violent, or other criminal activity.

#### **12.2.1 Reexamination Notice to the Household**

HABC will maintain a reexamination tracking system and the household will be notified by mail of their re-examination appointment date at least sixty (60) calendar days in advance of the reexamination effective date (the date that any changes in household rent share take effect). The notice will inform participants of the required documentation that will be needed at the time of their recertification appointment. All household members who are or will be 18 years of age by the recertification effective date are required to attend the appointment and provide signatures on all required documents.

If requested as an accommodation by a person with a disability, HABC will provide the notice in an accessible format. HABC will also mail the notice to a third party if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

#### **12.2.2 Completion of Reexaminations**

HABC will complete all reexaminations for households before the anniversary date. This includes notifying the household of any changes in rent at least thirty (30) calendar days before the re-examination effective date, provided there are no delays.

### 12.2.3 Collection of Information

HABC has established appropriate reexamination procedures necessary to ensure that the income, household composition and other eligibility data provided by households is complete and accurate.

HABC will require the household to complete the Personal Declaration Form and all reexamination forms. The household will be required to submit the completed forms to HABC via mail, in person, or online.

The household will be given notification to provide required documents for reexamination. The household will be informed that failure to provide required documents by the indicated date may result in termination from the program.

### 12.2.4 Failure to Respond to Notification of Reexamination

The household will be given notification to attend an appointment for reexamination.

The household will be informed that failure to complete the reexamination by the indicated effective date may result in termination from the HCV program.

If the household fails to attend the initial reexamination appointment, a second reexamination appointment will be scheduled. This second appointment will be scheduled approximately seven (7) business days after the date of the first NO SHOW appointment. Written notification will be sent to the household.

If the household fails to keep the second scheduled reexamination appointment, the termination process will begin. HABC will send the household a notice of termination and offer an opportunity for the household to appeal this decision by requesting an informal hearing. A copy of the termination notice will be sent to the owner/agent. In order to stop the termination process, the household will need to complete the reexamination. If the household attends either reexamination appointment but fails to submit the required and complete documentation necessary for the reexamination, they will be given no more than ten (10) calendar days to provide the documentation, unless a reasonable accommodation is requested and approved by the Senior Vice President for HCVP, or designee. If the documentation is not submitted as required (complete and correct) and a prior alternate arrangement for its submission has not been agreed upon by HABC, HABC will send the household a notice of termination and offer an opportunity for the household to appeal by requesting an informal hearing.

### **12.2.5 Documents Required from the Household**

HABC requires households to supply all information that HABC or HUD determines is necessary in the administration of the program. "Information" includes any requested certification, release, or other documentation pertinent to the administration of the program.

All information supplied by the family must be true and complete. Households must supply any information requested by HABC or HUD for use in regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

### **12.2.6 Verification of Information**

HABC will follow the verification procedures and guidelines described in this Plan (see Chapter 7 for more detailed information).

### **12.2.7 Online Reexamination Process**

In June 2019, HABC started the implementation of a three- to six-month pilot online reexamination process for a representative selection of participants. HABC has made online reexaminations available to all HCV Program participants, as of May 2020.

This program will not change the requirements of the reexamination process, only how the reexamination is completed. HABC's goal is to create a more efficient process for participants to submit the documentation required to complete their reexaminations. Online reexaminations will eliminate the requirement for participants to come into the office and staff will no longer have to manually track reexaminations, allowing for more efficient processing while improving customer service.

The most significant component of this program is the Resident Portal ("the Portal"), a website that is accessible to all HCV participants, providing them access to view and submit their reexaminations. The Resident Portal allows participants to upload the required verification documents, which were traditionally collected at the interview. It also displays the family composition, income, assets, and expenses listed on the current (effective) reexamination enabling the participants to review and update this information online.

At the commencement of the online reexamination process, an invitation letter will be sent to participants with upcoming annual reexaminations. The letter will give participants an overview of how to complete their reexamination on the Portal. It will also provide participants with the information they will need to register on the Resident Portal.

### 12.2.8 Household Rent Increases

Increases in income (see Section 12.3.1.) may result in an increase in the household rent and must be reported to HABC within thirty (30) calendar days of the date the change occurred.

If the household rent increases, a "thirty (30) calendar day" notice will be mailed to the household prior to the effective date of the reexamination, provided there are no delays.

If less than thirty (30) calendar days are remaining before the effective date of the reexamination, the household rent increase will be effective on the first of the month following the "thirty day" notice, provided there are no delays.

If there has been a misrepresentation or a material omission by the household, or if the household causes a delay in the reexamination processing, there will be a retroactive increase in household rent to the scheduled effective date. The household will be required to reimburse HABC for any housing assistance overpayment.

Reporting of applicable changes in household income may trigger an interim reexamination (see Section 12.3.1.).

### 12.2.9 Household Rent Decreases

If the household rent decreases, it will be effective on the effective date of the reexamination.

HABC may, at any time, require a program participant to provide evidence that the circumstances leading to a rent decrease remain in effect. Furthermore, the participant is required to report such changes within thirty (30) calendar days of their occurrence (see section 12.3.1 Interim Reexamination Prompted by Changes in Income and section 12.3.3 Interim Reexamination Prompted by Changes in Household Composition).

If the household causes a delay so that the processing of the reexamination is not completed by the scheduled effective date, there will be no retroactive decrease in rent to the scheduled effective date. The decrease shall be effective as of the following HAP payment cycle.

## 12.3. INTERIM REEXAMINATIONS

Under certain circumstances, participating households may or must request Interim Reexaminations. In the event that an interim is conducted within one-hundred twenty (120) days of a scheduled full re-examination, HABC may, at its discretion, opt to perform a full reexamination instead of the interim. This will initiate a change to the date of the household's regular reexamination schedule.

Interims will be conducted for decreases in income, increases in income when there is a change in employment status (only if going from not working to working, or from part-time to full-time employment), and family composition changes. In FY2019, HABC may limit the number of voluntary interim reexaminations that occur between each regular reexamination cycle. If an interim reexam is required, HABC will not count it against the limit on voluntary interims (i.e. changes in family composition, etc.). Elderly/disabled families, and families in the Family Self-Sufficiency (FSS) program are exempt from the limit on interim reexaminations.

Voluntary interim reexaminations may be limited to the following:

- One (1) voluntary interim reexamination between annual reexaminations for families on an annual reexam schedule.
- Two (2) voluntary interim reexaminations between biennial reexaminations for families on a biennial schedule.
- Three (3) voluntary interim reexaminations between triennial reexaminations for families on a triennial schedule.

Families whose loss of income represents a 20% reduction in gross annual income, and where the loss of income is beyond the family's control, will be able to request an exemption to the limit on interim reexaminations to allow for an additional interim to be conducted.

### **Expanded Hardship Policy for Families Exceeding Interim Limits**

Families may request a hardship exemption from the limit on optional interim recertifications. If approved, HABC may permit the family to request an additional interim recertification beyond the limit. The hardship must be the result of one of the following:

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program;
- The income of a family has decreased because of a significant change in circumstances, including loss of employment;
- The death of a household member has occurred, affecting a major source of income for the family; and/or
- Other circumstances determined by HABC.

HABC will not grant hardship exemptions from the limit on interim recertifications if the hardship is considered temporary, defined as lasting less than two (2) weeks.

Currently and continuing, any household that believes they would benefit by an annual reexamination may request an annual income reexamination schedule.

### 12.3.1 Interim Reexaminations Prompted by Changes in Income

Households may request interim reexaminations, which would be considered voluntary interims unless otherwise specified by HABC. Circumstances, which fall under interim reexaminations, include but may not be limited to:

- Decreases in Gross Income;
- Increases in allowances or deductions;
- When the household's weekly gross income has increased as a result of a change in employment status (only if going from not working to working, or from part-time to full-time employment).

Participants may report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of household rent at any time. If the reexamination results in a lower household rent share, the new household rent share shall become effective at the next monthly rent payment schedule (usually the 1<sup>st</sup> of the following month). HABC may make a retroactive payment to the household for the difference between the old and new household rent share. This payment will in no case be for any period prior to the date the household reported the decrease in household income.

HABC may, at any time, require a program participant to provide evidence that the circumstances leading to a rent decrease remain in effect. Furthermore, the participant is required to report such changes within thirty (30) calendar days of their occurrence (see section 12.3.1 Interim Reexamination Prompted by Changes in Income and section 12.3.3 Interim Reexamination Prompted by Changes in Household Composition).

Any increase in income as mentioned above, must be reported to HABC within thirty (30) calendar days of the date the change occurred. Reporting of applicable changes in household income will trigger an interim reexamination. Any increase in the household portion of rent resulting from this interim reexamination will become effective thirty (30) calendar days from the date the household income changed or on the household's next full reexamination effective date, whichever comes earlier.

The household will be responsible for reimbursing HABC any HAP/UAP costs for overpayments, and for which were incurred by HABC as a result of household failure to report increases in income in a timely manner.

HABC will not change the date of the regular full reexamination when an interim reexamination is conducted due to a change in household income.

### **12.3.2 Interim Reexaminations Prompted by Moves within the Jurisdiction**

If there is any change in income or family composition reported by the family at the time of voucher issuance for a family to move within Baltimore City limits, an interim reexamination of household information may be required.

### **12.3.3 Interim Reexaminations Prompted by Changes in Household Composition**

Program participants must report all changes in household composition (both increases and decreases) to HABC between biennial reexaminations and within thirty (30) calendar days of the change. This includes additions due to birth, adoption, foster care, marriage, significant other relationships, or court-awarded custody. The household must obtain HABC approval prior to all other additions to the household.

If any new household member is added, household income must include any income of the new household member. HABC will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the Housing Assistance Payment.

Conversely, if a household member leaves the household, household income will be adjusted to reflect the loss of that member's income (if any). In either case, the size of the unit to which the household is entitled, may also be affected.

Additionally, the U.S. citizenship/eligible immigrant status of all household members must be declared and verified.

HABC will not change the date of the regular biennial reexamination when an interim reexamination is conducted due to a change in household composition.

### **12.3.4 Interim Reexamination Prompted by HABC Errors**

If HABC makes a calculation error at admission to the program or during a full reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the household will not be charged retroactively. Households will be given decreases, when applicable; retroactive to when the decrease for the change would have been effective if calculated correctly.

HABC will not change the date of the regular biennial reexamination when an interim reexamination is conducted due to an HABC error.

### **12.3.5 Interim Reexamination Prompted by Zero Income Household Status**

An interim reexamination will be completed every twelve (12) months for entire households reporting zero income. Households, in which the entire family is reporting zero income, are required to report all income changes within thirty (30) calendar days regardless of the amount earned.

HABC will not change the date of the regular annual reexamination when an interim reexamination is conducted due to a zero-income household status.

### **12.3.6 Interim Reexamination Prompted by Temporary or Sporadic Income**

Temporary or sporadic income is defined as income that is neither reliable nor periodic and is excluded from the calculation of annual income.

An interim reexamination review will be completed (as reported) for households reporting only sporadic income with the same frequency as zero income families (see Section 12.3.5.). Temporary income is annualized at the time of recertification.

HABC will not change the date of the regular biennial reexamination when an interim reexamination is conducted because the household has only temporary or sporadic income.

### **12.3.7 Interim Reexamination Prompted by Unreported Changes**

If HABC discovers that a household has not reported required changes in household information and/or income (as described in Section 12.3.1. and 12.3.3.), HABC may conduct a full reexamination (see Section 15.8.2 for more information on fraudulent reporting). The next scheduled reexamination will take place, within twelve (12) months, twenty-four (24) months (dependent on the program), or thirty-six (36) months (for households that consist of 100% fixed income) from the effective date of that reexamination.

### **12.3.8 Application of Payment Standards and Utility Allowances for Interim Reexaminations**

For any of the above listed types of Interim Reexaminations, the payment standard that applies to a household when an interim reexamination takes place will be the same payment standard which was in effect at the last annual, biennial, triennial reexamination, or at the time of a move with continued assistance.



The utility allowance schedule that applies to a household when an interim reexamination takes place will be the same utility allowance schedule that was in effect at the last annual, biennial, triennial reexamination, or at the time of a move with continued assistance.

#### 12.4. INCOME CHANGES PROMPTED BY SOCIAL SERVICE / WELFARE PROGRAM REQUIREMENTS

HABC will not reduce the household share of rent for households whose welfare assistance is reduced due to a "specified welfare benefit reduction", which is a reduction in benefits by the welfare agency specifically because of:

- Fraud in connection with the welfare program; or
- Failure to comply with a welfare agency requirement to participate in an economic self-sufficiency program.

However, HABC may 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 household complied with welfare program requirements but cannot or has not obtained employment; or
- A situation where a household member has not complied with other welfare agency requirements (other steps may be necessary as specified in Chapter 6, Section 6.16).

##### 12.4.1 Definition of "Covered Household"

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a household member in an economic self-sufficiency program.

##### 12.4.2 Definition of "Imputed Welfare Income"

Imputed Welfare Income is the amount of annual income not actually received by a household as a result of a specified welfare benefit reduction that is included in the household's income for purposes of determining rent.

The amount of imputed welfare income is determined by HABC, based on written information supplied to HABC by the welfare agency, including:

- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of the benefit reduction

The household's annual income will include the imputed welfare income, as determined at the household's scheduled or unscheduled reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the household receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the household was not an assisted participant when the welfare sanction began, imputed welfare income will not be included in annual income.

If the participant claims the amount of imputed welfare income has been calculated incorrectly, the Program Specialist will review the calculation for accuracy. If the imputed welfare income amount is correct, HABC will review the calculations with the family.

#### **12.4.3 Household Dispute of Amount of Imputed Welfare Income**

If the participant disputes the amount of imputed income and HABC denies the participant's request to modify the amount, HABC will provide the participant with:

- A statement that the household may request an informal meeting with HCVP management; and
- An explanation for HABC's determination of the amount of imputed welfare income.

#### **12.4.4 Verification before Denying a Request to Reduce Rent**

HABC will accept written verification from the social service or welfare agency stating that the household's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements before denying the household's request for rent reduction.

HABC will rely on the welfare agency's written notice to HABC regarding welfare sanctions.

#### **12.4.5 Cooperation Agreements**

HABC may execute a Memorandum of Understanding with the local welfare agency under which the welfare agency agrees to provide written verification to HABC concerning welfare benefits for applicant and participant households. The welfare agency will be asked to provide information regarding a specified reduction in welfare benefits for a household member, listing the following:

- Amount of reduction

- Reason for the reduction
- Term of the reduction
- Subsequent re-determination of benefit income.

HABC may also execute a Memorandum of Understanding with the local welfare agency to ensure timely and accurate verification of noncompliance.

## 12.5. NOTIFICATION OF RESULTS OF REEXAMINATIONS

HABC will adhere to HUD MTW guidelines and requirements with regard to submissions to HUD.

In the event of a change in Housing Assistance Payment and/or household rent share, a Notice of Rent Change will be mailed and/or emailed (if available) to the owner and the participant at least thirty (30) calendar days prior to the re-examination taking effect.

If the participant disagrees with the rent adjustment, a meeting may be requested to review the rent adjustment.

## 12.6. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

### 12.6.1 Standard for Timely Reporting of Changes

HABC requires that households report applicable income and/or household composition changes to HABC within thirty (30) calendar days of when the change or changes occur. If the change is not reported within the required time period, or if the participant fails to provide any information, documentation or signatures requested by HABC, it will be considered untimely reporting.

### 12.6.2 Procedures when the Change is Reported in a Timely Manner

HABC will notify the participant and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- Increases in the Participant Rent are effective following at least a thirty (30) calendar day notice;
- Decreases in the Participant Rent are effective the first of the month following that in which the change was reported. However, no rent reductions will be processed until all the required documentation and facts have been received and verified. HABC may make a retro adjustment, but no earlier than the date the change in income/household composition was reported to HABC.

### 12.6.3 Procedures when the Change is Not Reported by the Participant in a Timely Manner

If the household does not report the change as described under Timely Reporting, the participant will have caused an unreasonable delay in the Unscheduled Reexamination processing and the following guidelines may apply:

- Increase in Household Rent will be effective retroactive to the date it would have been effective had the changes been reported in a timely manner. The participant will be liable for any overpaid housing assistance and may be required to sign a Payment Agreement.
- Decrease in Household Rent will be effective on the first of the month following the month that the change was reported.

### 12.6.4 Procedures when the Change is Not Processed by HABC in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the participant reports the change in a timely manner. If the change cannot be made effective on that date by HABC, then the change has not been processed in a timely manner.

In this case, an increase will be effective after the required thirty (30) calendar days' notice prior to the first of the month after completion of processing by HABC.

If the change resulted in a decrease, the overpayment by the participant will be calculated retroactively to the date it should have been effective, and the participant will be credited for the amount.

## 12.7. CHANGES IN VOUCHER SIZE AS A RESULT OF HOUSEHOLD COMPOSITION CHANGES

(See "Subsidy Standards", Chapter 5, Section 5.4.2 and 5.4.3.)

## 12.8. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

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

The Non-citizens Rule was implemented prior to November 29, 1996, and "mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

- The head of household or spouse is a U.S. citizen or has eligible immigrant status; AND
- All members of the household other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The household may change the head of household to qualify under this provision.

#### 12.9. MISREPRESENTATION OF HOUSEHOLD CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or household rent is established, HABC may terminate assistance and may refer the participant file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum)

## Chapter 13: MOVES WITH CONTINUED ASSISTANCE AND PORTABILITY

### 13.1. INTRODUCTION

Families are permitted to move with continued assistance to another unit within HABC's jurisdiction, or to a unit outside of HABC's jurisdiction under portability procedures. MTW regulations also allow HABC the discretion to develop policies that define any limitations or restrictions on moves. This chapter defines the procedures for moves both within and outside of HABC's jurisdiction, and the policies for restriction and limitations on moves.

### 13.2. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

- The assisted lease for the old unit has been terminated by:
  - HABC for owner breach of the HAP contract, or
  - By mutual agreement of the owner and the family.
- Subject to the provisions of Chapter 15, Section 15.5, of this plan, the owner has given the family a notice to vacate in a reasonable amount of time as specified in the lease, and per State and local laws.
- The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner and is in good standing while following proper procedures as described in this Chapter).

### 13.3. 13.3 RESTRICTIONS ON MOVES

The following are restrictions to moves:

- Families will not be permitted to move during the initial term of the lease.
- Families will not be permitted to move more than once in a 12-month period, unless otherwise specified by HABC.
- Families who are pending court resolutions (documentation must be received by HABC verifying that the court procedures have commenced).
- HABC may deny permission to move if there is insufficient funding for continued assistance.

HABC may deny permission to move if:

- The family has violated a family obligation.
- The family owes HABC money.
- The family is within the initial term of the lease or has moved within the previous 12 months.

The Senior Vice President or designee, of the Housing Choice Voucher Program may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

#### 13.4. **PROCEDURE FOR MOVES**

##### 13.4.1 **Issuance of Voucher**

Subject to the restrictions on moves HABC will issue the voucher to move. If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

##### 13.4.2 **Notice Requirements**

Briefing sessions emphasize the family's responsibility to give the owner and HABC proper written notice of any intent to move.

The family must follow HABC's Notice of Intent to Vacate procedures and specify a move-out date that should be up to no more than 60-days from the date of notice to the owner. Participants must give the owner the required number of day's written notice of intent to vacate specified in the lease and must give a copy to HABC simultaneously.

##### 13.4.3 **Time of Contract Change**

In a move, assistance stops at the old unit at the end of the month in which the participant ceased to occupy the unit. Assistance will start on the new unit on the effective dates of the lease and contract. Assistance payments may overlap for the month in which the family moves. A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

##### 13.4.4 **Inter Program Transfers**

Participants that are transferring from one program to another (transfers between Public Housing Program, Housing Choice Voucher Program, and Baltimore Regional Housing

Partnership) are allowed no more than five (5) business days to complete the move once the lease is signed, and the HAP Contract has been executed.

#### 13.4.5 Required Moves for Health and Safety Reasons

Participant transfers from Public Housing to HCVP that result from health and safety issues, will be mandated by the Chief Operations Officer, Executive Vice President for FHEO, or as recommended by HUD.

### 13.5. PORTABILITY

Portability applies to families moving out of or into HABC's jurisdiction within the United States and its territories. HABC has the sole discretion to absorb the voucher or bill the initial jurisdiction, dependent on funding. Upon HAP contract execution, the voucher holder is required to take possession of the unit.

#### 13.5.1 Outgoing Portability (port-outs)

Outgoing portability refers to households receiving housing choice voucher (HCV) assistance from HABC desiring to relocate to areas outside HABC's jurisdiction while continuing to receive HCV assistance. Within the limitations of regulations and HABC policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside HABC jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program.

##### ***13.5.1.1 Determining HCV Program Eligibility for Applicant Families Requesting to Port-Out***

Applicant families requesting to port-out of HABC's jurisdiction must meet all eligibility criteria set forth by HABC. HABC will determine if the applicant is eligible for participation in the HCV Program, and whether the applicant is income eligible in the jurisdiction for which the applicant wishes to move. If the applicant family meets all HCV eligibility criteria but is not income eligible in the area to which the family wishes to move, HABC will inform the family they may not move to that area with continued assistance. However, the applicant family may lease a unit in HABC's jurisdiction if the family remains eligible for HCV assistance (including income eligible) in HABC's jurisdiction.

The receiving PHA's income limits are used in determining income eligibility for port-out applicants.



### ***13.5.1.2 Determining HCV Program Eligibility for Participant Families Requesting to Port-Out***

Once a participant family informs HABC of their desire to move under portability and where they want to move, HABC determines the family's eligibility to move. A family's eligibility to move is determined in accordance with 24 CFR § 982.353, 24 CFR § 982.354 and with policies as stated in this HCVP Administrative Plan.

If more than one PHA administers a voucher program in the area to which the family is moving, the family must select the receiving PHA. HABC must provide the family with the contact information for all of the receiving PHAs that serve the area.

### ***13.5.1.3 Port-Out Voucher Issuance***

During the initial voucher briefing, families are informed of the Portability process and given a Port-Out request form. Once the portability request is approved, HABC will issue the family a voucher to move to the other jurisdiction. If not already done so, HABC will advise the family to contact the receiving PHA and request assistance by providing the name, telephone number and email of the receiving PHA's staff responsible for working with incoming portability families. HABC will also notify the receiving PHA to expect the incoming family. This process may have already been completed during the initial contact with the receiving PHA.

### **13.5.2 Incoming Portability (port-ins)**

Incoming portability refers to households receiving HCV assistance from other PHAs (not HABC) desiring to relocate within HABC's jurisdiction and continue to receive HCV assistance. HABC will continue to accept port-ins and will work to create reciprocal agreements with the initial PHAs to absorb porting voucher holders. It is anticipated that reciprocal agreements will call for HABC and the originating PHA absorbing equal numbers of incoming and outgoing vouchers.

Port-in households will be required to meet all HABC program criteria prior to being accepted (see Chapter 2, ELIGIBILITY FOR ADMISSION and Chapter 3, APPLYING FOR ADMISSION). As the receiving jurisdiction, HABC will require the documents listed on the HUD Portability Billing Form from the initial jurisdiction. While the initial PHA will determine the participant's eligibility to move, HABC will confirm the eligibility determination made by the initial PHA. After receiving and confirming the portability paperwork from the initial PHA, HABC will contact the participant within ten (10) business days to schedule a mandatory voucher briefing and full re-examination (see Chapter 8 and Chapter 5 for information on voucher issuance and subsidy standards). The participant will be issued a voucher by HABC which will expire thirty (30) calendar days after the initial PHA's voucher expires, as per HUD regulations. If a port-in family wishes to move

outside of HABC's jurisdiction, HABC will notify the family of their responsibility to contact the initial PHA and the portability paperwork will be returned to the original jurisdiction.

The participant must submit a Request for Tenancy Approval (RFTA) for an eligible unit prior to the expiration date of the voucher. HABC will grant tolling time in accordance with this Administrative Plan and will inform the initial jurisdiction of any extensions or suspensions of voucher time. Any additional extensions must be requested and granted by the initial PHA and must be received by HABC prior to the expiration date of the voucher.

If the participant fails to complete any of the following, HABC will send the family's paperwork back to the initial PHA within five (5) business days:

- Attend the voucher briefing;
- Fail to submit the RFTA prior to voucher expiration;
- Fail to execute the lease and take possession of the unit prior to voucher expiration;
- Fail to request an extension prior to voucher expiration;
- Request to change family composition (add/remove members) or household size (increase/decrease in bedrooms); or
- Request for an extension is denied.

### **13.5.3 Restrictions on Portability**

#### ***13.5.3.1 Applicants and Participants***

The restrictions on portability are the same as those listed for moves (see Section 13.3, RESTRICTIONS ON MOVES, above).

#### ***13.5.3.2 Exceptions under the Violence Against Women Act (VAWA)***

In compliance with the 2005 and 2013 Violence Against Women Acts (VAWA), a family may receive a voucher and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the HCV Program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit (see Chapter 15.13).

#### **13.5.4 Requests for Tenancy Approval (RFTA)**

When the family submits a RFTA, it will be processed using HABC's policies. A briefing will be mandatory for all families.

If the family does not submit a RFTA or does not execute a lease, the initial PHA will be notified within five (5) business days or as indicated in the reciprocal agreement of the event by HABC, and the family will be referred back to the initial PHA. The voucher of record for the family is once again the voucher originally issued by the initial PHA, and the initial PHA's policies apply.

If the family leases up successfully, HABC will notify the initial PHA prior to the billing expiration date.

HABC will notify the initial PHA if the family has leased an eligible unit under the program, or if the family fails to submit a RFTA for an eligible unit within the term of the voucher.

If HABC denies assistance to the family, HABC will notify the initial PHA and the family will be offered an informal review or hearing. HABC will notify the family of its responsibility to contact the originating PHA if the family wishes to move somewhere other than HABC's jurisdiction.

#### **13.5.5 Regular Program Functions**

HABC will perform all program functions applicable to the tenant-based assistance program, such as:

- Reexaminations of family income and composition;
- Moves with continued assistance;
- Biennial inspection of the unit; and
- Interim reexaminations when requested or deemed necessary by HABC.

#### **13.5.6 Required Documents**

As receiving PHA, HABC will require documents as required by HUD and this Administrative Plan, or as listed in the reciprocal agreement from the initial PHA.

#### **13.5.7 Billing Procedures**

For non-absorbed port-ins, HABC as the receiving PHA, may bill the initial PHA monthly for housing assistance payments. The billing cycle for other amounts, including administrative fees and special claims, will be monthly unless otherwise requested by the initial PHA.

HABC will bill 100% of the housing assistance payment, and 80% of the administrative fee (at the initial PHA rate) for each "portability" voucher leased as of the first day of the month.

HABC will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify HABC of changes in the administrative fee amount to be billed, within HUD's allotted timeframe.

## Chapter 14: CONTRACT TERMINATIONS

### 14.1. INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and HABC that defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by HABC and/or the owner, and the policies and procedures for such terminations.

### 14.2. CONTRACT TERMINATION

The term of the HAP contract is the same as the term of the lease. The contract between the owner and HABC may be terminated by HABC, by the owner, or by the participant terminating the lease.

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

If the family continues to occupy the unit after the HAP contract is terminated, the family is responsible for the full contract rent due to the owner. After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit with a move voucher. The contract for a new unit may begin on the first of the following month in which the family moved from the old unit, with the exception of any emergency move or transfer, as determined by HABC.

### 14.3. TERMINATION BY THE FAMILY: MOVES

Family termination of the lease must be in accordance with the terms of the lease.

### 14.4. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease, the owner may evict for:

- Serious or repeated violations of the lease, including but not limited to, failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease.
- Violations of Federal, state or local laws that impose obligations on the tenant in connection with the occupancy or use of the premises.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.
- Drug-related criminal activity which occurs on or near the premises.
- Other good cause, which includes but is not limited to:
  - The participant's failure to accept the offer of a new lease in accordance with HUD regulations;
  - A history of disturbances of neighbors or destruction of property;
  - Living or housekeeping habits resulting in damage to the unit or property;
  - Criminal activity by family members involving crimes of physical violence to persons or property; or
  - A business or economic reason.

#### 14.4.1 Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity:

- Regardless of arrest or conviction;
- Without satisfying the standard of proof used for a criminal conviction.

#### 14.4.2 Termination of Tenancy Decisions

If the law and regulation permit the owner to take an action but does not require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

- The seriousness of the offense
- The effect on the community

- The extent of participation by household members
- The effect on uninvolved household members
- The demand for assisted housing by families who will adhere to responsibilities
- The extent to which leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action
- The effect on the integrity of the program

#### 14.4.3 Removal of Culpable Household Member

The owner may require a tenant to remove the culpable household member(s) in order to continue to reside in the assisted unit.

#### 14.4.4 Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the member:

- Is no longer participating in a rehabilitation program;
- Has successfully completed a supervised drug or alcohol rehab program; and/or
- Has otherwise been successfully rehabilitated.

The owner may require the tenant to submit evidence of any of the three (above).

#### 14.4.5 Actions of Terminations by Owner

Actions of termination by the owner must be consistent with the fair housing and equal opportunities laws as stated in 24 CFR § 5.105.

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

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

HABC may require that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for HABC's decision to pursue termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, HABC must continue

to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

If the action is finalized in court, the owner must provide HABC with the documentation, including notice of the lock-out date.

HABC must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By accepting the monthly HAP from HABC, the owner certifies that the tenant is still in the unit, the rent is reasonable, and s/he is in compliance with the contract.

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

#### **14.4.6 Provisions of the Violence Against Women Act (VAWA), Public Law 109-162, Section 606)**

VAWA provides certain protections to Housing Choice Voucher and Project-Based program participants - An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault 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 (see Chapter 15.11).

#### **14.5. TERMINATION OF THE CONTRACT BY HABC**

The term of the HAP contract terminates when the lease terminates, when HABC terminates Program assistance for the family, or when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

HABC may also terminate the contract if:

- The family is required to move from a unit when the unit does not meet HQS.
- The family is over- or under- housed and elects to take the option to move from the unit.
- Funding is no longer available under the ACC.

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



#### 14.5.1 Notice of Termination

When HABC terminates the HAP contract under the violation of HQS space standards (i.e. the family is under-housed), HABC will require the family to move. HABC will provide the owner and family written notice of termination of the contract, and the HAP contract will terminate at the end of the following calendar month after which HABC gives such notice to the owner.

## Chapter 15: DENIAL OR TERMINATION OF ASSISTANCE

### 15.1. INTRODUCTION

This chapter describes when HABC is required to deny or terminate assistance, HABC policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

HABC may deny or terminate assistance for a family because of the family's action or failure to act. HABC provides families with a written description of the family obligations under the program, the grounds under which HABC can deny or terminate assistance, and HABC informal review and hearing procedures.

### 15.2. GROUNDINGS FOR DENIAL AND TERMINATION

If denial or termination is based upon behavior resulting from a disability, HABC may delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

#### 15.2.1 **Forms of Denial and Termination**

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on HABC's waiting list;
- Denying or withdrawing a voucher;
- Refusing to enter into a HAP contract or approve tenancy; and/or
- Refusing to process or provide assistance under portability procedures.

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a new HAP contract or approve a new tenancy while in a move process;
- Terminating housing assistance payments under an outstanding HAP contract;
- Refusing to process or provide assistance under portability procedures.

#### 15.2.2 **Mandatory Denial and Termination**

HABC must permanently deny admission to an applicant if HABC determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

HUD Regulations at 24 CFR § 5.856, 960.204(a)(4), and 982.553(a)(2) prohibit admission after June 25, 2001, if any member of a household is subject to a State lifetime sex offender registration requirement. This regulation reflects a statutory prohibition. A household receiving assistance with such a member is receiving assistance in violation of federal law.

HABC must immediately terminate program assistance for a family if HABC determines that any member of the household is subject to a lifetime registration requirement under a State Sex Offender Registration Program.

If a participant who is subject to such a lifetime registration requirement was erroneously admitted into a federal housing program after June 25, 2001 and is found to be receiving housing assistance, the PHA must immediately pursue eviction or termination of assistance for these participants.

HABC must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining required information.

HABC must deny admission or terminate assistance when required under the regulations for failure to establish citizenship or eligible immigration status.

HABC must terminate assistance for participants if the family is under contract and one hundred and eighty (180) calendar days have elapsed since the last housing assistance payment was made by HABC. (See "Contract Terminations" chapter.)

HABC must permanently deny assistance to applicants and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

HABC must terminate program assistance for a family evicted from housing assisted under the program for serious violation(s) of the lease.

### **15.2.3 Grounds for Denial or Termination of Assistance**

HABC may deny admission to the program for applicants and terminate assistance for program participants if HABC determines that any household member is currently engaging in illegal use of a drug or abusing alcohol. See Section 15.3 of this chapter for HABC established standards.

HABC may deny admission to the program for applicants and terminate assistance for program participants if HABC determines that it has reasonable cause to believe that a household member is engaging in illegal drug use or a pattern of illegal drug or alcohol abuse that may

threaten the health, safety or right to peaceful enjoyment of the premises by other residents. See Section 15.3 of this chapter for HABC's established standards.

HABC may deny program assistance for an applicant, or terminate program assistance for a participant, if any member of the family:

- Violates any family obligation under the program as listed in [24 CFR § 982.551](#).
- Engages in any drug-related criminal activity.
- Engages in any violent criminal activity.
- Engages in any other serious criminal activity.
- Has been evicted from federally assisted housing in the last five years.
- Has had their assistance under the program terminated by HABC or another PHA in the last three years.
- Commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Is receiving assistance under two (2) or more federally funded housing programs at the same time.
- Currently owes rent or other amounts to HABC or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- Has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- Breaches an agreement with HABC or other PHA to pay amounts owed to HABC or PHA or amounts that have been paid by HABC or PHA to an owner. HABC at its discretion may offer the family the opportunity to enter into a Payment agreement. HABC will prescribe the terms of the agreement. (See "Payment Agreements" chapter.)
- While participating in an FSS program and failing to comply, without good cause, with the family's FSS contract of participation.
- Engages in or threatens abusive or violent behavior toward HABC personnel.
  - "Abusive or violent behavior towards HABC personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.
  - "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- Actual physical abuse or violence will always be cause for termination.

- Engages in or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents. See section 15.3 of this chapter.

Refer to "Eligibility for Admission" chapter, "Other Criteria for Admission" section for further information.

Debts owed and termination information will be maintained in the EIV system. HABC will be able to access this information to determine a family's suitability for initial or continued rental assistance and avoid providing limited federal housing assistance to families who have previously been unable to comply with HUD program requirements. If the reported information is accurate, the current rental assistance may be terminated and future requests for HUD rental assistance may be denied.

Applicants/Participants have the right to request and obtain a copy of this report from HABC. Disputes must be made within three (3) years from the end of participation date. Otherwise, the debt and termination information are presumed correct.

### 15.3. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

#### 15.3.1 Purpose

HABC will check criminal history for all members of the applicant's or participant's household, who are age fourteen (14) years and older to determine whether any such member has engaged in drug-related, violent, or other serious criminal activity.

Verification of any past criminal activity will include a review of conviction records and will be done prior to final eligibility determination for applicants and prior to a full reexamination for participants.

#### 15.3.2 Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, national origin, religion, ancestry, age, familial status, marital status, sexual orientation or gender identity, disability, sex or other legally protected groups.

To the maximum extent possible, HABC will involve other community and governmental entities in the promotion and enforcement of this policy.

### 15.3.3 Screening of Applicants for Criminal Activity

In an effort to prevent future drug related and other criminal activity, HABC will endeavor to screen applicants as thoroughly and fairly as possible. This will help to ensure the health, safety and peaceful enjoyment of the premises by other residents.

HABC will check criminal history for all members of the household who are fourteen (14) years of age or older, to determine whether any such member has engaged in drug-related, violent, or other criminal activity.

HABC will deny eligibility for admission for a period of eighteen (18) months for a misdemeanor conviction, and for a period of three (3) years for a felony conviction beginning on the date of conviction or the date the member was released from incarceration, whichever is later.

HABC will not base determinations that an applicant or household engaged in criminal activity warranting the denial of admission or termination of assistance or eviction, solely on a record of arrest(s).

HABC has the authority to deny an applicant based on the results of the criminal background check.

If HABC denies assistance based on criminal record information, HABC will notify the applicant of the denial and will make the record available upon request to the applicant, and the applicant may present documentation that the criminal background check results are incorrect. The applicant will have the opportunity to dispute the accuracy and relevance of the information through the informal review process.

If the criminal background check identifies a pending criminal investigation or charge, HABC will suspend an eligibility determination. HABC will inform the applicant that he/she may request reinstatement of the application within ninety (90) calendar days of the final disposition of the case, provided the disposition is not a conviction. If reinstatement of the application is not requested within 90 calendar days, the applicant will be withdrawn.

## 15.4. DEFINITIONS OF TEMPORARILY / PERMANENTLY ABSENT

### 15.4.1 Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for more than one hundred and eighty (180) consecutive days, except as otherwise provided in this Chapter.

Space will not be provided for a family member who will be absent for more than one-hundred and eighty (180) consecutive calendar days in a twelve-month period, except for family members who have been called to active duty.

In the case where a family member has been called to active duty, the family composition will remain unchanged even if the family member is absent from the unit for more than (180) consecutive days.

After one (1) year, HABC may reevaluate the situation and may take action to ensure the voucher size is relevant to the family composition.

#### **15.4.2 Absence Due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, HABC 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 one hundred and eighty (180) consecutive days, the family member will not be considered permanently absent.

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

A person with a disability may request an extension of time before termination as an accommodation, subject to approval by the Senior Vice President or designee.

If the absence, which resulted in termination of assistance, was due to a person's disability and HABC can verify that the person was unable to notify HABC in accordance with the family's responsibilities, and if funding is available, HABC may reinstate the family as an accommodation.

#### **15.4.3 Absence Due to Full-time Student Status**

Full-time students (other than head of household, co-head, or spouse) who attend school away from the home but live 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 member will be removed from the family composition, 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 Voucher size.

A head of household, co-head, or spouse will be considered temporarily absent while enrolled in school.

#### **15.4.4 Absence Due to Incarceration**

Any member of the household will be considered permanently absent if s/he is incarcerated for thirty (30) consecutive days. HABC will determine if the reason for incarceration is for any criminal activity and take appropriate action.

Members with a history of criminal activity may be removed at the request of the head of household, on a case-by-case basis. Requests of this nature are considered family composition changes, and as such must be made within thirty (30) calendar days of the incarceration or arresting action of the household member.

#### **15.4.5 Absence of Children Due to Placement in Foster Care**

If the family includes a child or children temporarily absent from the home due to placement in foster care, the family will be required to provide the appropriate documentation to support the date of child/children return to the unit.

If the time period for the absence is to be greater than one hundred and eighty (180) consecutive days from the date of removal of the child/children, the voucher size will be reduced.

If all children are removed from the home permanently, the voucher size will be reduced in accordance with HABC subsidy standards.

#### **15.4.6 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, HABC will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

"Absence of Entire Family" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, HABC may do any or all of the following: verify through the landlord the residency status of the family, request an inspection of the unit, write letters to and telephone the family at the unit, interview neighbors, verify if utilities are in service at the unit or check with the post office.

Families are required both to notify HABC before they move out of a unit and to give HABC information about any family absence from the unit. Families must notify HABC before leaving the unit if they are going to be absent from the unit for more than fourteen (14) consecutive



days. If the entire family is absent from the assisted unit for more than thirty (30) consecutive days, HABC may contact the landlord, or inspect the unit to confirm the absence. Housing assistance payments will terminate on the date the family vacated the unit. If it is determined that the unit is vacant because the family moved without notice, the participant will be referred for termination. HUD regulations require HABC to terminate assistance if the entire family is determined to have been absent from the unit for a period of more than one hundred and eighty (180) consecutive calendar days.

A person with a disability may request an extension of time as an accommodation, subject to approval by the Senior Vice President or designee.

If the absence, which resulted in termination of assistance, was due to a person's disability and HABC can verify that the person was unable to notify HABC in accordance with the family's responsibilities, and if funding is available, HABC may reinstate the family as an accommodation.

#### **15.4.7 Caretaker for Children**

If no parent remains in the household, and the appropriate agency has determined that another adult is to be brought in to the assisted unit to care for the children for an indefinite period, HABC will treat that adult as a temporary household member, for the first one hundred and eighty (180) consecutive days. If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker. If the appropriate agency cannot confirm the guardianship status of the caretaker, HABC will determine the eligibility of the caretaker for the child/children and count the caretaker's income for TTP determination pending a final disposition. HABC will work with the appropriate service agencies and the landlord, to provide a smooth transition in these cases.

If the temporary member of the household is subject to a court order that restricts him/her from taking care of the children, and from the home for more than sixty (60) consecutive days, the person will be considered permanently absent.

#### **15.4.8 Guests**

A guest is defined as a person temporarily staying in the unit with the consent of the participant or other member of the household who has expressed or implied authority to so consent on behalf of the participant and is not considered part of the household.

Guests should not stay in a unit in excess of fourteen (14) consecutive days, or a total of ninety (90) days in a 12-month period without HABC approval. For any guest who has income and who remains in the unit for longer than the specified time, HABC will include that income in the

calculation of total family income. HABC will determine the effective date for the participant's annual, biennial, or triennial review, whichever applies.

Any person, who has been in the unit more than fourteen (14) consecutive days without HABC approval, or a total of ninety (90) days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

Guests who remain beyond this period without HABC approval, and are considered unauthorized occupants, constitutes as a violation of Family Obligations (for more information on Family Obligations, see Chapter 15, Section 15.5). **Live-in aides may not have overnight guests.**

Determination of the unauthorized status will include any of the following:

- Absence of evidence of any other address will be considered verification that the guest is a member of the household.
- Statements from neighbors and/or the landlord will be considered in making the determination.
- Use of the unit address as the guest's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.
- Investigations completed by HABC's Investigations Unit (IU), may result in the determination of unauthorized occupants.

#### 15.4.9 Visitors

Any person, who has been in the unit more than fourteen (14) consecutive days without HABC approval, or a total of ninety (90) days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

Determination of the unauthorized status will include any of the following:

- Absence of evidence of any other address will be considered verification that the visitor is a member of the household.
- Statements from neighbors and/or the landlord will be considered in making the determination.
- Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.
- Investigations completed by HABC's Investigations Unit (IU), may result in the determination of unauthorized occupants.

## 15.5. HUD DEFINITIONS

“Currently engaging in or engaged in violent or other criminal activity” includes but is not limited to:

- Evidence that the individual has, within the past three years, engaged in the behavior recently enough to justify a reasonable belief that the individual’s behavior is current.
- 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.
- Any history of initiating threats or behaving in a manner indicated intent to assault employees or other participants.

Covered person, for purposes of this chapter, means a participant, any member of the participant’s household, a guest or another person under the participant’s control.

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

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

Guest, for purposes of this chapter means a person temporarily staying in the unit with the consent of a participant or other member of the household who has express or implied authority to so consent on behalf of the participant.

Household, for the purposes of this chapter, means the family and HABC-approved live-in aide.

Other person under the participant’s control, for the purposes of the definition of covered person and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the participant or other member of the household who has expressed or implied authority to so consent on behalf of the participant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the participant’s control.

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

### **15.5.1 Standard for Violation**

HABC may deny participation in the program to applicants and terminate assistance to participants in cases where HABC determines that there is reasonable cause to believe that a household member is illegally using a drug or abusing alcohol. HABC may deny participation in the program to applicants and terminate assistance to participants if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where HABC determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

HABC will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous twelve (12) months.

"Engaged in or engaging in" violent criminal activity means any act within the past three (3) years by an applicant or participant or household member which involved criminal activity that included the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which resulted in the arrest and/or conviction of the applicant, participant, or any family or household member.

The existence of the above-referenced behavior by any family or household member, regardless of the applicant or participant's knowledge of the behavior, may be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, HABC 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 procedure for determining the length of debarment for applicants may be found in the Application Denial Procedure Addendum of this Plan.

### **15.5.2 Drug Related and Violent Criminal Activity**

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

However, the household may be admitted if, after considering the individual circumstances of the household, HABC determines that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program and provisional documentation is accepted by HABC.

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

Review and approval by the Senior Vice President for HCVP or designee is required when denial of admission or termination of participation is based on mitigating factors.

HABC may consider the following as a mitigating factor to reverse mandatory denial or termination of assistance related to criminal background screening:

- Removal of the culpable family member from the application, or the household;
- In such instances, the head of the household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

### **15.5.3 Denial of Assistance for Sex Offenders**

HABC will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In screening applicants, HABC will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

### **15.5.4 Denial of Assistance Based on Information from Baltimore City Fire Records**

HABC will review Fire Department Records where a family is claiming an emergency preference due to natural disaster where their existing unit was damaged by fire. If it is determined that the fire is the result of arson or the willful malfeasance of the family or visitor; or the gross negligence or misuse of the facilities by a family member or visitor, the family will be found to be ineligible for assistance.

HABC will review Fire Department Records where a family is living in a HCVP assisted unit which is damaged by fire. If it is determined that the fire is the result of arson or the willful malfeasance of the family or visitor; or the gross negligence or misuse of the facilities by a family member or visitor, the family will be terminated and denied further participation in the program for five (5) years from the date of the fire, without causing another fire.

### 15.5.5 Notice of Denial of Assistance

In any case where HABC decides to deny assistance to the family, HABC must give the family written notice which states:

- The reason(s) for the denial,
- The family's right, if they disagree, to request an Informal Review.
- The date by which a request for an Informal Review must be received by HABC.

## 15.6. TERMINATION OF ASSISTANCE FOR PARTICIPANTS

### 15.6.1 Termination of Assistance for Drug-related Criminal Activity, Violent Criminal Activity or Other Serious Criminal Activity

Under the family obligations MTW regulations, the members of the household must not engage in drug-related criminal activity, violent criminal activity or other serious criminal activity. HABC has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related, violent or other serious criminal activity.

Assistance will be terminated for participants who have been arrested, convicted or evicted from a unit assisted under any federally assisted housing program for drug-related criminal activity, violent criminal activity or other serious criminal activity during participation in the program, and within the last three (3) years prior to the date of the notice to terminate assistance. Household members arrested, convicted or evicted from a federally assisted unit will be denied future assistance in accordance with HUD rules and regulations and this Administrative Plan.

If any member of the household violates the family obligations by engaging in drug-related criminal activity, violent criminal activity or other serious criminal activity, HABC will terminate assistance.

In appropriate cases, HABC may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, HABC may consider individual circumstances with the advice of Juvenile Court officials.

HABC may waive the requirement regarding drug-related criminal activity if the person has demonstrated successful completion of a credible rehabilitation program and provisional documentation has been submitted to and accepted by HABC.

### 15.6.2 Terminating Assistance for Alcohol Abuse by Household Members

According to family obligations, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. A violation of a family obligation will result in the termination of assistance if HABC determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

Assistance may be terminated if a household member is arrested / convicted / incarcerated for any alcohol-related criminal activity in the immediate vicinity of the premises within any twelve (12) month period.

In appropriate cases, HABC may permit the family to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, HABC may consider individual circumstances with the advice of Juvenile Court officials.

### 15.6.3 Notice of Termination of Assistance

In any case where HABC decides to terminate assistance to the family, HABC must give the family written notice which states:

- The reason(s) for the proposed termination,
- The effective date of the proposed termination,
- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- The date by which a request for an Informal Hearing must be received by HABC.

If HABC proposes to terminate assistance for criminal activity as shown by a criminal record, HABC will provide the subject of the record and the participant with a copy of the criminal record.

HABC will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

### 15.6.4 Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows

that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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.

HABC will terminate assistance for criminal activity by a household member, as described in this chapter, if HABC determines, based on a preponderance of the evidence that the household member has engaged in the activity. This action will be taken regardless of whether the household member has been arrested or convicted for such activity.

HABC will pursue fact-finding efforts as needed to obtain credible evidence.

#### 15.6.5 Confidentiality of Criminal Records

HABC will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

All criminal reports, while needed, will be housed in a locked file with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance and to the Senior Vice President or designee.

Misuse of the above information by any employee will be grounds for termination of employment.

### 15.7. FAMILY OBLIGATIONS

- The family must supply any information that HABC determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. "Information" includes any requested certification, release or other documentation.
- The family must supply any information requested by HABC at any time; including for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HABC's MTW requirements.
- The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.



- All information supplied by the family must be true and complete.
- The family is responsible for a housing quality standards breach caused by the family.
- The family must allow HABC to inspect the unit at reasonable times and after reasonable notice.
- The family must allow the owner access to the unit for emergency repairs, inspection violation repairs, and regular maintenance.
- The family must not damage the unit or premises (other than damage from ordinary wear and tear) or permit any guest to damage the unit or premises.
- The family may not commit any serious or repeated violations of the lease.

NOTE: Upon vacating the unit, the family must return the keys to the landlord in a timely manner, and the unit must be free from debris and bulk trash. These may be considered serious lease violations.

- The family must notify the owner and, at the same time, notify HABC before the family moves out of the unit or terminates the lease upon notice to the owner. The family must promptly give HABC a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by HABC. The family must promptly inform HABC of the birth, adoption or court-awarded custody of a child. The family must request HABC approval to add any other family member as an occupant of the unit.
- The family must promptly notify HABC if any family member no longer resides in the unit.
- If HABC has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HABC approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
- Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
- The family must not sublease or let the unit.
- The family must not assign the lease or transfer the unit.

- The family must supply any information or certification requested by HABC to verify that the family is living in the unit, or relating to family absence from the unit, including any HABC-requested information or certification on the purposes of family absences. The family must cooperate with HABC for this purpose. The family must promptly notify HABC of absence from the unit.
- The family must not own or have any interest in the unit.
- The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- The household members may not engage in drug-related criminal activity, violent criminal activity or other serious criminal activity. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- An assisted family, or members of the family, may not receive HCV tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

#### 15.7.1 Housing Authority Discretion

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

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

## 15.7.2 Enforcing Family Obligations

### *15.7.2.1 Explanations and Terms*

The term "promptly" when used with the family obligations always means within thirty (30) calendar days. Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

When neighborhood complaints proliferate, HABC may require the family to attend a meeting to review the family obligations. Three (3) required family obligation meetings in a twelve (12) month period may be grounds for termination.

### *15.7.2.2 Housing Quality Standards Breach*

The inspector will determine if a housing quality standards breach is the responsibility of the family.

Families may be given extensions to cure HQS breaches by the Senior Vice President or designee.

### *15.7.2.3 Lease Violations*

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

- The owner terminates tenancy through court action for serious or repeated violation of the lease.
- The owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and HABC determines that the cause is a serious or repeated violation of the lease based on available evidence.
- The owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and if there are police reports, neighborhood complaints or other third-party information, that have been verified by HABC.
- Nonpayment of rent is considered a serious violation of the lease.

#### **15.7.2.4 Proposed Additions to the Family**

HABC will deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.
- Persons who have previously violated a family obligation.
- Persons who had assistance that has been terminated under the Certificate or Voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to HABC or to another PHA in connection with the HCV program or for other public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward HABC personnel.

NOTE: Family members may be re-added on a case-by-case basis upon approval by the Senior Vice President for HCVP, or designee.

#### **15.7.2.5 When a Family Member Moves Out**

Families are required to notify HABC within thirty (30) calendar days, if any family member leaves the assisted household. When the family notifies HABC, they must furnish the following information:

- The date the family member moved out.
- The new address, if known, of the family member.
- A statement as to whether the family member is temporarily or permanently absent.
- Or other verification as requested by HABC.

If the above information cannot be provided, HABC may proceed with other verification procedures.

#### ***15.7.2.6 Limitation on Profit-Making Activity in Unit***

If HABC determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If HABC determines the business is not legal, it will be considered a program violation.

#### ***15.7.2.7 Interest in Unit***

The owner may not reside in the assisted unit regardless of whether the owner is a member of the assisted family, unless the family owns a mobile home and rents the pad.

#### ***15.7.2.8 Fraud***

In each case, HABC will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

#### ***15.7.2.9 Supportive Housing Program Referrals***

After twelve (12) months of participating in a transitional housing program (THP), THP participants may visit the office of HABC to request permanent housing. If the participant is within ninety (90) calendar days of completing the THP, HCVP will request a letter of recommendation to complete the process.

All transitional / permanent supportive housing sites are required to provide HABC a letter of recommendation at the completion of the participant's supportive service requirements. This letter may approve or deny the "referral" for an applicant to get a tenant-based voucher. Applicants that are non-compliant with their transitional/permanent supportive housing sites are scheduled for an informal meeting with HABC to review the terms of the denial and present mitigating circumstances. All parties involved, are invited to attend the informal meeting. A written decision regarding the outcome of the informal meeting may be sent to attendees within fourteen (14) business days.

### **15.8. PROCEDURES FOR NON-CITIZENS**

#### **15.8.1 Denial or Termination Due to Ineligible Immigrant Status**

Applicant or participant families where all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. HABC must

offer the family an opportunity for an Informal Hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

### 15.8.2 False or Incomplete Information

When HABC has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted, and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, HABC will not give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

HABC may deny or terminate assistance based on the submission of false information or misrepresentation.

### 15.8.3 Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the U.S. Citizenship and Immigration Services (USCIS) primary and secondary verifications failed to document the status, the family may make an appeal to the USCIS and request a hearing with HABC either after the USCIS appeal or in lieu of the INS appeal.

After HABC has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

## 15.9. ZERO (\$0) ASSISTANCE TENANCIES

HABC has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to one hundred and eighty (180) days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180-day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, HABC will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

#### 15.10. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

If the family has misrepresented any facts that caused HABC to overpay assistance, HABC may choose not to terminate and may offer to continue assistance provided that the family either:

- 1) Executes a Payment Agreement within sixty (60) calendar days and makes payments in accordance with the agreement; or
- 2) Reimburses HABC in full within sixty (60) calendar days.

#### 15.11. MISREPRESENTATION IN COLLUSION WITH OWNER

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, HABC will deny or terminate assistance.

#### 15.12. MISSED APPOINTMENTS AND DEADLINES

It is a Family Obligation to supply information, documentation, and certification as needed for HABC to fulfill its responsibilities. HABC schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow access to HABC to inspect the unit, and appointments are made for this purpose.

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

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled, and time requirements will be imposed for the following events and circumstances:

- Eligibility for Admissions
- Verification Procedures
- Voucher Issuance and Briefings
- Housing Quality Standards and Inspections Re-examinations
- Scheduled Re-examinations and Interim Re-examinations
- Appeals

- Any other HABC appointments as scheduled

Medical or Family emergencies may be acceptable reasons for missing appointments or failing to provide required information by deadlines; however, HABC must be notified and supporting documentation may be required.

#### 15.12.1 Procedure when Appointments are Missed or Required Information not Provided

For most purposes in this Plan, the family will be given two opportunities to attend appointments before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing the notice will be rescinded after the family cures the breach if the family does not have a history of non-compliance.

#### 15.13. PROTECTIONS UNDER THE VIOLENCE AGAINST WOMEN ACT (VAWA)

##### VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE AND/OR STALKING (PUBLIC LAW 109-162, SECTION 606)

VAWA provides certain protections to applicants or participants who are victims of domestic violence, dating violence and/or stalking, defined as:

- An incident or incidents of actual or threatened domestic violence, 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 participant's household or any guest or other person under the participant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the participant or an immediate member of the participant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Victims of the above may have grounds to appeal a finding of ineligibility or program termination if that finding or termination is based on the above.

Before complying with VAWA, HABC may ask an applicant or participant for documentation that he or she is, or has been a victim of domestic violence, dating violence or stalking. The



applicant/participant may satisfy HABC's request by producing one or more of the following types of documentation, including but not limited to:

- Federal, state or local police or court records;
- A statement from an employee, agent or volunteer of a victim service provider, an attorney or medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking, or the effects of the abuse;
- A statement from the victim certifying that he or she is a victim of domestic violence to include the name of the offender.

If the individual obtains a statement from an employee, agent or volunteer of a victim service provider, or an attorney, or medical professional, the professional must attest under penalty of perjury that he or she believes that the incident or incidents in question are bona fide incidents of abuse, and must include the name of the offender. The victim must also sign or attest to the documentation provided by the third party.

All information will be kept confidential including the individual's status as a victim of domestic violence, dating violence or stalking.

## Chapter 16: OWNER DISAPPROVAL AND RESTRICTION

### 16.1. INTRODUCTION

It is the policy of HABC to recruit owners to participate in the Voucher program. HABC will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of HABC. The regulations define when HABC must disallow an owner participation in the program, and they provide HABC discretion to disapprove or otherwise restrict the participation of owners in certain categories.

This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations. Change in Ownership policies and Restrictive Covenants are also addressed in this Chapter.

### 16.2. DISAPPROVAL OF OWNER

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

HABC will disapprove of owner participation in the program for the following reasons:

- HUD has informed HABC that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR Part 24.
- HUD has informed HABC that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements or such action is pending.
- HUD has informed HABC that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.
- Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. HABC will waive this restriction as a reasonable accommodation for a family member who is a person with a disability. In cases where the owner and tenant bear the same last name, HABC may, at its discretion, require the family and or owner to certify whether they are related to each other in any way. If relation is found by blood or marriage, HABC may deny owner approval.

- The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.
- The owner has engaged in drug-related criminal activity, violent criminal activity, or any other serious criminal activity.
- The owner is prohibited from being the families' payee for any federally subsidized program.
- The owner has a history or practice of non-compliance with housing quality standards for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based assistance or leased under any other federal housing program.
- The owner has a history or practice of renting units that fail to meet State or local housing codes.
- The owner has a history or practice of failing to terminate the tenancy of participating residents of units assisted under the HCV program or any other federally assisted housing program for actionable offenses. These offenses include activity engaged in by the participant, any member of the participant's household, and/or any guest or another person under the control of any member of the household that:
  - Threatens the right to peaceful enjoyment of the premises by other residents;
  - Threatens the health or safety of other residents, of employees of HABC, or of owner employees or other persons engaged in management of the housing.
  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
  - Is part of drug-related criminal activity or violent criminal activity
- The owner has not paid State or local real estate taxes, fines or assessments. The owner must be in compliance with the State Department of Assessment and Taxation.
- The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD. The owner must be in compliance with Code Enforcement and Regulations.

### 16.3. OWNER RESTRICTIONS AND PENALTIES

#### 16.3.1 **Failure to Submit Required Ownership Documents**

Owners that fail to provide required documentation within a reasonable timeframe, as specified by HABC, may be deemed to be in breach of the HAP Contract. If HABC determines that a breach has occurred, HABC may exercise any of its rights and remedies for such a breach. HABC shall notify the owner of such determination, including a brief statement of the reasons for determination. The notice by HABC to the owner may require the owner take corrective action as verified or determined by HABC, by a deadline prescribed in the notice.

HABC's rights and remedies for owner breach of the HAP Contract include recovery of overpayments, suspension of housing assistance payments, abatement or other reduction of housing assistance payments, and termination of the HAP Contract. Even if the family continues to live in the contract unit, HABC may exercise any rights and remedies for owner breach of the HAP Contract. HABC's exercise or non-exercise of any right or remedy for owner breach of the HAP Contract is not a waiver of the right to exercise that or any other right or remedy at any time.

#### 16.3.2 **Board of Responsibility**

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, HABC will investigate the violation(s) and conduct an assessment of the infraction(s). HABC will take appropriate action, including but not limited to restricting the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. HABC may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner, HABC will review all relevant factors pertaining to the case and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

### 16.4. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract and lease.

HABC may transfer ownership of the HAP contract to a new owner, at the old owner's request. HABC may approve the transfer since they are a party to the contract. HABC may deny transfer of ownership of the HAP contract, for any of the reasons listed in Section 16.2 of this chapter.

HABC will process a change of ownership only upon written notification by the previous owner, the previous property management company, or the current new owner. The request must be accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed and the Employee Identification Number (EIN) or Social Security number (SSN) of the new owner.

The additional information required to complete a change in ownership is listed below:

- 1) Completed W-9 Form for deeded owner or managing agent (form may be obtained at [www.irs.gov](http://www.irs.gov)) as it is registered with the IRS.
- 2) Government issued photo identification (must be valid, clear, and legible) for the Property Owner, Managing Agent, or Authorized Signatory.
- 3) Proof of Tax ID Number (social security card or EIN notice from IRS).
- 4) Proof of Ownership – a copy of the executed (signed) settlement papers, recorded deed, court documents, or documentation from the State Department of Assessments & Taxation (SDAT).
- 5) Management Agreement (if applicable).  
Note: If a management agreement is being cancelled, a cancellation letter from the Management Company, or owner, must be submitted.
- 6) Owner and Management Company's current contact information including phone numbers and e-mail addresses.
- 7) Tenant's name and address.
- 8) Completed Transfer of Ownership or Management Form
- 9) Articles of Organization for LLC, Partnerships, or Corporations (if applicable).
- 10) Operating Agreement for LLC, Partnerships, or Corporations (if applicable).
- 11) Notarized Owner Affidavit (in lieu of Photo ID, Property Management and Operating Agreements, and/or authorization letters)
- 12) Electronic Funds Transfer Request Form (Direct Deposit Form) – must include a voided check or bank account verification form (mandatory).
- 13) In cases where there is a joint ownership of the property, and the names of both partners will not be on the account, a written statement from both partners is required verifying the account set-up agreement.
- 14) For Estates, please provide a Death Certificate, State of Maryland Letters of Administration, and proof of the EIN for the Estate.
- 15) Business entities must be in good standing with the State of MD Department of Assessments & Taxation (SDAT) [www.dat.maryland.gov](http://www.dat.maryland.gov).

- 16) Foreign Corporations (corporations not organized under the laws of Maryland) must be registered in the state of Maryland.
- 17) Owner must advise if business entity is registered and operating under a Trade Name or "Doing Business As" (DBA). The full legal name of the owner of business or individual using the Trade Name is **required**. Legal entities may be owners of the trade name. The legal entity must be registered with the State of Maryland Department of Assessments & Taxation (SDAT) [www.dat.maryland.gov](http://www.dat.maryland.gov).

If the new owner does not want an assignment of the contract, HABC will terminate the existing HAP contract and if warranted execute a new HAP Contract under the new ownership. The new owner may offer the family a new assisted lease; the family may elect to enter into the new lease or move to another unit. If the new owner declines participation in the program, and/or the family decides to move to another unit, a 30- or 60-day notice to vacate should be submitted and the family is responsible for getting a voucher to move.

#### 16.5. RESTRICTIVE COVENANT PROHIBITION

HABC will not enter into a HAP contract with an owner whose property:

1. received Federal, State, or local assistance to develop, construct or rehabilitate such property as an affordable homeownership unit; and
2. is subject to an unexpired restrictive covenant prohibiting the homeowner from renting his or her home.

## Chapter 17: OWNER OR FAMILY DEBTS TO HABC

### 17.1. INTRODUCTION

This chapter describes HABC policies for the recovery of money that has been overpaid to families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts.

It is HABC policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, documentation must be present to support HABC claim that the debt is owed. Further, written documentation must be present showing the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to HABC, HABC will make every effort to collect. HABC will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Payment agreements
- Abatements
- Reductions in HAP to owner
- Collection agencies
- Credit bureaus
- Income tax set-off programs

### 17.2. PAYMENT AGREEMENT FOR FAMILIES

A Payment Agreement as used in this Plan is a document entered into between HABC and the head of household, spouse or co-head, if any, who owes a debt to HABC. The payment agreement contains details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to HABC upon default of the agreement. Any payment agreement between HABC and a family must be signed and dated by HABC and by the head of household, and/or co-head (if applicable).

If the payment agreement is approved, the repayment amount must comply with HUD regulations as stated in PIH Notice 2010-19 (HA), Section 16 which states "the monthly retroactive rent payment plus the amount of rent the tenant pays at the time the repayment agreement is executed should be affordable and not exceed 40% of the family's monthly adjusted income."

HABC will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to HABC.

The maximum amount for which HABC will enter into a payment agreement will be \$2,500. An initial down payment will be required as per the payment schedule established in Section 17.6, unless otherwise approved the Senior Vice President for HCVP, or designee.

The maximum length of time HABC will enter into a payment agreement with a family is twenty-four (24) months. At the discretion of the Senior Vice President or designee, a longer length of time may be authorized.

All payments are due by the close of business on the 1<sup>st</sup> day of the month. If the 1<sup>st</sup> does not fall on a business day, the due date is the close of business on the first business day after the 1<sup>st</sup>. Any payment agreement that goes into default or gets sent to the Collection Bureau will be referred to HABC's Investigations Unit (IU).

#### **17.2.1 No Offer of Payment Agreement**

The circumstances in which HABC may not enter into a payment agreement are, as follows:

- If the family already has a payment agreement in place;
- If HABC determines that the family committed program fraud;
- If HABC determines that the debt is greater than \$2,500 or is so large that it would take more than twenty-four (24) months to repay; and
- If HABC determines that the family is unable to meet the payment schedule, to include the initial payment requirements unless otherwise directed by the Senior Vice President or designee.

#### **17.3. DEBTS OWED FOR OVERPAYMENTS**

If a family owes money to HABC for overpayments to an owner:

- HABC will review the circumstances resulting in the overpayment and decide whether the family must pay the full amount.



- HABC may enter into a Payment Agreement.

#### 17.4. LATE PAYMENTS FOR PAYMENT AGREEMENTS

A payment will be considered to be in arrears if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with HABC, HABC will:

- Require the family to pay the balance in full;
- Pursue civil collection of the balance due;
- Terminate the housing assistance.

If the family requests a move to another unit and has a payment agreement in place which is not in arrears, the family will be required to undergo executive review to determine voucher issuance.

If the family requests a move to another unit and is in arrears on a payment agreement the family will be required to pay the balance in full or be terminated from the program.

#### 17.5. DEBTS DUE TO MISREPRESENTATIONS / NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead; and that results in payment of Housing Choice Voucher (Section 8) Program funds in violation of Housing Choice Voucher (Section 8) Program requirements.

##### 17.5.1 **Family Error/Late Reporting**

Families who owe money to HABC due to the family's failure to report increases in income will be required to repay, in accordance with the guidelines in the Payment Agreement Section of this Chapter.

### 17.5.2 Program Fraud

If a family owes an amount as a result of program fraud, the case will be referred to the Internal Investigations Unit (IIU). If the IIU concurs with the finding of fraud, the family will be required to pay the amount owed in full, and assistance to the family will be terminated. Where appropriate, HABC will refer the case for criminal prosecution.

### 17.5.3 Maintenance of Debts Owed Information

Debts owed and termination information will be maintained in the Enterprise Information Verification system for a period of up to ten (10) years from the end of the participation date. HABC will be able to access this information to determine a family's suitability for initial or continued rental assistance and avoid providing limited Federal housing assistance to families who have previously been unable to comply with HUD program requirements. If the reported information is accurate, the current rental assistance may be denied for a period of up to ten (10) years from the date the participant moves out of an assisted unit or were terminated from a HUD rental assistance program (OMB No. 2577-0266).

Applicants and participants have the right to request and obtain a copy of this report from HABC. Disputes must be made within three (3) years from the end of participation date. Otherwise, the debt and termination information are presumed correct.

## 17.6. GUIDELINES FOR PAYMENT AGREEMENTS

Payment agreements will be executed between HABC and the head of household/co-head only. Payment agreements must be executed by the Senior Vice President for HCVP, or designee. The agreement will be in default when a payment is delinquent by the 5th business day of the month.

The family's assistance will be terminated unless HABC receives the balance of the payment agreement in full within 5 business days of the termination notice.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Senior Vice President or designee.

Moves may not be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:

- Family size exceeds the housing quality standards maximum occupancy standards;
- The HAP contract is terminated due to owner non-compliance or opt-out;

- A natural disaster.

Payment agreements will follow the schedule below:

Initial Payment Due: (% of Total Amount)	Amount Owed	Maximum Term
25%	0 - \$500	6 months
25%	\$501- \$1,000	12 months
50%	\$1,001 - \$2,500	24 months

Additional Monies Owed: If the family already has a payment agreement in place and incurs an additional debt to HABC:

- HABC will not enter into more than one payment agreement with the family, and the family may be referred for termination
- Additional amounts owed by the family may be added to an existing payment agreement.

If a payment agreement is in arrears more than five (5) business days, any new debts must be paid in full.

#### 17.7. OWNER DEBTS TO HABC

If HABC determines that the owner has retained housing assistance or claim payments the owner is not entitled to, HABC may reclaim the amounts from future housing assistance or claim payments owed to the owner for any other subsidized units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, HABC will:

- Require the owner to pay the amount in full within sixty (60) calendar days. An extension may be granted pending review and approval of the Senior Vice President or designee.
- Pursue collections through the local court system.
- Restrict the owner from future participation.

## Chapter 18: COMPLAINTS AND APPEALS

### 18.1. INTRODUCTION

This chapter describes the policies, procedures and standards to be used when families disagree with a HABC decision. It is the policy of HABC to ensure that all families have the benefit of all protections due to them under the law.

The informal review for applicants and the informal hearing for participants as defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of HABC.

Complaints and appeals are made through the form of Informal Reviews for applicants and Informal Hearings for participants. Information on HABC's informal hearings will be provided to families in the voucher briefing.

In addition to applicant and participant families, HABC also receives inquiries from owners, employees, and the public.

### 18.2. INQUIRIES TO HABC

HABC will respond promptly to inquiries from families, owners, employees, and members of the public. All inquiries will be documented, researched and resolved.

### 18.3. APPLICANT DENIALS AND INFORMAL REVIEWS

When HABC denies an applicant, and the applicant disagrees with the decision, the applicant may request an informal review. The informal review may be conducted by any person or persons designated by HABC, other than the person who made or approved the decision under review or a subordinate of that individual.

Informal reviews are provided for applicants who are denied assistance prior to the execution of the HAP contract, and who have requested an informal review. The exception is when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is not entitled to an informal review, but may request an informal hearing (see Chapter 15, Section 15.8.1.).

When HABC determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing.

The notice must contain:

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

When denying admission for criminal activity as shown by a criminal record, HABC will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

Informal reviews are not required for established policies and procedures and HABC determinations such as:

- Discretionary administrative determinations by HABC.
- General policy issues or class grievances.
- A determination of the family unit size under HABC subsidy standards.
- HABC determination not to approve an extension or suspension of the voucher term.
- HABC determination not to grant approval of the tenancy.
- HABC determination that unit selected by the applicant is not in compliance with housing quality standards.
- HABC determination that unit is not in accordance with housing quality standards due to family size or composition.

### 18.3.1 Procedure for Informal Reviews

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

Requests beyond 14 calendar days will be given at the discretion of the Senior Vice President or designee. The informal review will be scheduled within 14 calendar days from the date the request is received. The person who made or approved the decision to deny assistance, or a subordinate of that person may not conduct the review.

The applicant will be given the option of presenting oral or written objections to the decision. Both HABC and the family may present evidence and witnesses. The family may

use an attorney or other representative to assist them at their own expense. The review may be conducted by in person or by telephone if acceptable to both parties.

A notice of the informal review findings will be provided in writing to the applicant. It shall include the decision of the informal review officer, and an explanation of the reasons for the decision. All requests for an informal review, supporting documentation, and a copy of the final decision will be retained in the family's file.

#### 18.4. PARTICIPANT TERMINATION AND INFORMAL HEARINGS

Participants will be notified in writing when HABC makes a decision regarding continued eligibility and termination of assistance.

HABC will give the family prompt notice of such determinations that will include:

- The proposed action or decision of HABC;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for HABC's decision.
- The procedures for requesting an informal hearing if the family disputes the action or decision;
- The time limit for requesting the hearing.
- When terminating assistance for criminal activity as shown by a criminal record, HABC will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

HABC must give a participant family the opportunity for an informal hearing to consider whether the following HABC decisions relating to the individual circumstances of a participant family for the following:

- HABC determination of the family's annual or adjusted income and the use of such income to compute the housing assistance payment.
- HABC determination of the appropriate utility allowance (if any) for tenant-paid utilities from HABC's utility allowance schedule.
- HABC determination of family unit size under HABC subsidy standards.

- HABC determination to terminate assistance for a participant family because of the family's action or failure to act (see 24 CFR 982.552).
- HABC determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under HABC policy and HUD rules.

HABC must always provide the opportunity for an informal hearing before termination of the housing assistance payments for the family under an outstanding HAP Contract.

Informal hearings are not required for established policies and procedures and HABC determinations such as:

- Discretionary administrative determinations by HABC.
- General policy issues or class grievances.
- Establishment of HABC's schedule of utility allowances for families in the program.
- HABC determination not to approve an extension or suspension of a voucher term.
- HABC determination not to approve a unit or tenancy.
- HABC determination that an assisted unit is not in compliance with housing quality standards (HABC must provide an opportunity for an informal hearing for a decision to terminate assistance for breach of HQS caused by the family as described in Chapter 15, Section 15.7.).
- HABC determination that the unit is not in accordance with housing quality standards because of the family size.
- HABC determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

#### 18.4.1 Procedure for Informal Hearings

It is HABC's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, HABC will ensure that participants will receive all of the protections and rights afforded by the law and the regulations.

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

When HABC receives a request for an informal hearing, a hearing shall be scheduled within 14 calendar days. The notification of hearing will contain:

- The date and time of the hearing.
- The location where the hearing will be held.
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense.
- The right to view any documents or evidence in the possession of HABC upon which HABC based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- A notice to the family that HABC will request a copy of any documents or evidence the family will use at the hearing.

Families have the right to:

- Present written or oral objections to HABC's determination.
- Examine the documents in the file that are the basis for HABC's action, and all documents submitted to the Hearing Officer.
- Copy any relevant documents at their expense.
- Present any information or witnesses pertinent to the issue of the hearing.
- Request that HABC staff be available or present at the hearing to answer questions pertinent to the case.
- Be represented by legal counsel, advocate, or other designated representative at their own expense.

In addition to other rights contained in this Chapter, HABC has a right to:

- Present evidence and any information pertinent to the issue of the hearing.
- Be notified three (3) business days in advance of the informal hearing, if the family intends to be represented by legal counsel, advocate, or another party.
- Examine and copy any documents to be used by the family prior to the hearing.



- Have its attorney present.
- Have staff persons and other witnesses familiar with the case present.

The informal hearing shall be conducted by a Hearing Officer appointed by HABC who is neither the person who made or approved the decision to terminate assistance, nor a subordinate of that person.

The basis of the hearing shall concern only the issues for which the family is being terminated. Evidence presented at the informal hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the informal hearing if requested by the other party. "Documents" includes records, photographs and regulations.

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

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

A notice of the informal hearing findings shall be provided in writing to HABC and the family within fourteen (14) business days and shall include:

- A clear summary of the decision and reasons for the decision.
- If the decision involves money owed, the amount owed and documentation of the calculation of monies owed.

HABC is not bound by informal hearing decisions:

- Which concern matters in which HABC is not required to provide an opportunity for an informal hearing.
- Which conflict with or contradict HABC MTW regulations or requirements.
- Which conflict with or contradict Federal, State or local laws.
- Which exceed the authority of the person conducting the informal hearing.

HABC shall send a letter to the participant if it determines HABC is not bound by the Hearing Officer's determination within 14 business days. The letter shall include HABC's reasons for the decision.

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

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

In accordance with the Quality Housing and Work Responsibility Act of 1998, PHAs may no longer elect not to comply with ("opt-out" of) the non-citizen requirements (Part 5, Subpart E).

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the US Citizenship and Immigration Services (USCIS) appeal.

Assistance to a family may not be terminated or denied while the HABC hearing is pending but assistance to an applicant may be delayed pending the HABC hearing.

##### **18.5.1 USCIS Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the USCIS SAVE system and manual search do not verify the claim, HABC notifies the applicant or participant within ten (10) business days of their right to appeal. They must appeal to the USCIS within thirty (30) calendar days or request an informal hearing with HABC either in lieu of or subsequent to the USCIS appeal.

If the family appeals to the USCIS, they must give HABC a copy of the appeal and proof of mailing or HABC may proceed to deny or terminate. The time period to request an appeal may be extended by HABC for good cause.

The request for a HABC hearing must be made within fourteen (14) calendar days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within fourteen (14) business days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members, HABC will:

- Deny the applicant family.

- Defer termination if the family is a participant and qualifies for deferral.
- Terminate the participant if the family does not qualify for deferral.

If there are eligible members in the family, HABC will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide documentation or certification of eligible citizen/immigrant status.
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

#### 18.6. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

When applicants are denied admission to the program, or HABC is terminating assistance of existing participants, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review and the informal hearing process.

### 18.6.1 Protections under the Violence Against Women Act (VAWA)

Victims of Domestic Violence, Dating Violence and/or Stalking (Public Law 109-162, Section 606)

VAWA provides certain protections to applicants or participants who are victims of domestic violence, dating violence and/or stalking. See CHAPTER 15, Section 15.13 for more details.

## Chapter 19: SPECIAL HOUSING TYPES

### 19.1. INTRODUCTION

HABC may approve any of the following types of housing in the voucher program, in accordance with the requirements of the program, and as specified in Chapter 20:

- All dwelling unit structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and the pad.
- Manufactured homes where the tenant owns the mobile home and leases the space.
- Group homes, as approved by Senior Vice President or designee
- Congregate housing facilities (only the shelter rent is assisted) as approved by the Senior Vice President or designee
- Single room occupancy (SRO)
- Units owned (but not subsidized) by HABC (following HUD-prescribed requirements).
- Cooperative Housing, as approved by Senior Vice President or designee
- Homeownership

HABC may permit the use of special housing types when requested, as a reasonable accommodation for persons with disabilities, upon approval by Senior Vice President or designee.

#### 19.1.1 **Verification of Need for Reasonable Accommodation**

Acceptable documentation to be used as verification of the need for reasonable accommodation would include a letter to HABC describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by HABC, and a written response stating approval or disapproval will be sent to the applicant/participant within ten (10) business days of the receipt of the request.

A copy of HABC's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.

## 19.2. SINGLE ROOM OCCUPANCY (SRO) [24 CFR 982.602]

HUD has determined that there is a demand for SRO housing in this area. Therefore, a single person may reside in an SRO housing unit.

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

### 19.2.1 SRO Rent and Housing Assistance Payment [24 CFR 982.604]

HABC SRO payment standard is 75% of the zero-bedroom payment standard schedules. Should a person reside in an exception area the payment standard is 75% of the HUD-approved zero-bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

The utility allowance for an assisted person residing in SRO housing is 75% of the zero-bedroom utility allowance.

HABC will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SRO as regulated in 24 CFR 982.605.

## 19.3. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit, upon approval by the Senior Vice President or designee. HABC may approve a family member or live-in aide to reside with the elderly person, or a person with disabilities. HABC will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

### 19.3.1 Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family. Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on HABC's payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one-bedroom payment standard amount. If there is a live-in aide, the live-in aide will be counted in determining the family unit size. HABC will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

#### 19.4. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State (e.g. Department of Human Resources, Mental Health, Retardation, or Social Services), or the State's licensing department as a group home for elderly persons, or persons with disabilities.

An elderly person or a person with disabilities may reside in a State-approved group home, upon approval of the Senior Vice President or designee. If approved by HABC, a live-in aide may reside with a person with disabilities. HABC must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

HABC will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care. No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

##### 19.4.1 **Group Home Lease and HAP Contract [24 CFR 982.611]**

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equal's one assisted person plus any HABC-approved live-in aide. HABC will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

##### 19.4.2 **Group Home Rent and Voucher HAP [24 CFR 982.613]**

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home. The reasonable rent for a group home is determined in accordance with 24 CFR 982.503. In determining reasonable rent HABC will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private. Unless there is a live-in aide, the family unit size is one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size. The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on HABC's payment standard schedule for the group home size. The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

## 19.5. COOPERATIVE HOUSING [24 CFR 982.619]

HABC may approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families.

HABC will not approve assistance for a family in cooperative housing until HABC has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperative's debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility allowance.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

HABC may approve a live-in aide to reside with the family to care for a person with disabilities. HABC will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If HABC approves a live-in aide, the live-in aide will be counted when determining the family unit size.

### 19.5.1 **Housing Quality Standards**

HABC will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter.



## 19.6. **MANUFACTURED HOMES [24 CFR 982.620]**

HABC will permit a family to lease a manufactured home and space with assistance under the program. HABC will provide assistance for a family that owns the manufactured home and leases only the space. HABC may approve a live-in aide to reside with a family to care for a person with disabilities. HABC will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If HABC approves a live-in aide, the live-in aide must be counted when determining the family unit size.

### 19.6.1 **Housing Quality Standards [24 CFR 982.621]**

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition, the manufactured home also must meet the following requirements:

- A manufactured home must be placed on the site in a stable manner and must be free from hazards such as sliding or wind damage.
- A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors, in order to resist wind overturning and sliding.

### 19.6.2 **Manufactured Home Space Rental [24 CFR 982.622]**

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

### 19.6.3 **Reasonable Rent**

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by HABC.

HABC will not approve a lease for a manufactured home space until HABC has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, HABC will re-determine that the rent is reasonable.

HABC will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. HABC will

consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from HABC, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by HABC, the owner must provide HABC information on rents for other manufactured home space.

#### **19.6.4 Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623] and Voucher Tenancy**

The Fair Market Rent (FMR) for a manufactured home space will be determined by HUD.

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit. During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

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

The space rent is the sum of the following as determined by HABC:

- Rent to owner for the manufactured home space;
- Owner maintenance and management charges for the space; and
- The utility allowance for tenant paid utilities.

#### **19.6.5 Utility Allowance Schedule for Manufactured Home Space Rental [24 CFR 982.624]**

HABC will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

#### 19.7. HOMEOWNERSHIP [24 CFR 982.625]

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. HABC must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

HABC reserves the right to restrict homeownership to families for purposes defined by HABC. HABC also reserves the right to limit the number of families assisted with homeownership.

HABC will offer a preference for the homeownership option to applicant or participant families who:

- Are currently enrolled and participating in a self-sufficiency program operated by a Federal, State or local agency.
- Are graduates of HABC's Family Self-Sufficiency (FSS) program.
  - Purchase a home under the Flag House Stipulation and Order entered in Thompson et. al. v. HUD et al. ("Flag Priority Buyers") (The Flag House Homeownership Term Sheet in Appendix II). The family must notify HABC of any adverse employment changes immediately. If the participant is separated from his/her employment and refuses employment counseling and or training, HABC in its discretion may terminate the homeownership assistance immediately.
  - Establishes the policies and eligibility requirements for the Flag House Homeownership program.
- Are participants in the homeownership program established pursuant to the Thompson Settlement Agreement.
- The Administrative Plan for Thompson v. HUD Partial Consent Decree Section 8 Programs ("Special Administrative Plan") establishes the policies and eligibility requirements for the homeownership program.

### 19.7.1 Eligibility Requirements [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

- The family must be eligible for the Housing Choice Voucher program.
- The family must qualify as a first-time homeowner or may be a co-operative member.
- The family must meet the Federal minimum income requirement.
  - Disabled families must receive the maximum monthly Federal Supplemental Security Income (SSI) benefits.
  - In cases of other non-disabled families, at least one adult family member who will own the home must have a gross annual income equal to the Federal minimum hourly wage multiplied by 2,000 hours.
  - Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.
- The family must meet the Federal minimum employment requirement. At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance (HUD regulations define "full time employment" as not less than an average of 30 hours per week).
- HABC shall have discretion to determine whether and to what extent employment interruptions are considered a break in the continuity of employment during the prior year; for example, HABC may count successive employment positions during the year as continuous employment. HABC may also count self-employment in a business as continuous employment.

The employment requirement does not apply to an elderly family or a disabled family (head of household, spouse, or sole member is at least 62 years of age or disabled). Furthermore, if a family, other than an elderly family or a disabled family, includes a person with disabilities, if other family members are unable to work on a full-time basis because they are required to care for the person with disabilities, HABC shall grant an exemption from the employment requirement if it determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Any family member who has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance. HABC will impose the following additional initial requirements:

- The family has had no family-caused violations of HUD's Housing Quality Standards within the last year.
- The family is not within the initial 1-year period of a HAP Contract. (This requirement is waived for Flag Priority Buyers and Priority Buyers as defined above; this requirement is also waived for families relocated by HABC from a public housing development).

The HCVPHP first year of participation in the Housing Choice Voucher Program will be waived for families who have been approved for an HCV and have the ability to obtain a mortgage loan to purchase a home in Baltimore City.

- The family does not owe money to HABC.
- The family has not committed any serious or repeated violations of a HABC-assisted lease within the past 3 year/specified time period.

Non-regulatory requirements may be modified for applicants and/or program participants designated as members of a "Special Category" group with homeownership rights (see Chapter 3, Section 3.10, Special Categories).

#### 19.7.2 Exceptions to the Employment and/or Income Requirements

An exception from the minimum employment requirements stated above will be granted to one or more adult members of the family who will own the home, and who has recently obtained a Degree or Certification from an accredited university, college, or trade school and has secured full-time employment, subject to the following:

- Proof of graduation (diploma, certification) and date of graduation from the University, College, or Trade School; and
- Employment on a full-time basis for at least six (6) months in their field of study, immediately following graduation or completion of degree or certification program.

An exception from the minimum employment requirements will be granted to one or more adult members of the family who will own the home and whose employment provides an income which exceeds the required income threshold but who is not employed on a full-time basis, as long as:

- The number of hours worked per week is not less than 25; and

- The participant has been employed at his/her current position for a minimum of two (2) years (no temporary layoffs or gaps).

### 19.7.3 Homeownership Counseling Requirements [24 CFR 982.630]

When the family has been determined eligible, they must attend and complete homeownership counseling sessions. These counseling sessions will be conducted by HABC staff or approved housing counseling agency. Such counseling shall be consistent with HUD-approved housing counseling. The following topics will be included in the homeownership counseling sessions:

- Home maintenance (including care of the grounds)
- Budgeting and money management
- Credit counseling
- How to negotiate the purchase price of a home
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing
- How to find a home, including information about homeownership opportunities, schools, and transportation in the HABC jurisdiction
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas
- Information about RESPA, state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

### 19.7.4 Eligible Units [24 CFR 982.628]

The unit must meet HUD's "Eligible Housing" requirements and meet all of the following requirements:

- The unit is located within the jurisdiction of Baltimore City.
- The unit already exists or is under construction at the time the family was determined eligible for homeownership assistance.
- The unit is a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit has passed inspection by HABC and by an independent inspector designated by the family and meets all lead safety standards.

- The unit meets HUD Housing Quality Standards.
- HABC will not approve the seller of the unit if HABC has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

The unit may not be any of the following:

- A unit receiving Housing Choice Voucher project-based assistance;
- A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
- A college or other school dormitory;
- On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.

#### **19.7.5 HABC Search and Purchase Requirements [24 CFR 982.629]**

HABC has established the maximum time that will be allowed for a family to locate and purchase a home. The family must locate a home to purchase, obtain financing, and submit all required documents including passed inspection and appraisal reports for the home within one-hundred twenty (120) calendar days of the date that eligibility for the homeownership program is determined. If additional time is required to obtain final loan commitments or closing cost assistance from a government agency, the family may receive a 60-day extension; however the family must purchase the home within one-hundred eighty (180) calendar days of the date eligibility for the homeownership program was determined.

HABC will not require periodic reports on the family's progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time limit, the family will remain on the rental program. The family must wait six months from the original expiration date of eligibility before re-admission to the Homeownership Program is granted. The family must also submit a written request for re-admission to the Homeownership Program. If the family can document extenuating circumstances that arose beyond their control, which prevented participation at the initial offering of homeownership assistance, a waiver of the six-month response period for homeownership participation may be granted. Such documentation must be submitted in writing to the Homeownership Coordinator.

#### **19.7.6 Inspection and Contract [24 CFR 982.631]**

The unit must meet Housing Quality Standards and must also pass a general housing inspection conducted by an independent professional inspector selected and paid by the family.

The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

- Foundation and structure
- Housing interior and exterior
- Roofing
- Plumbing, electrical and heating systems

The independent inspector must not be a HABC employee. HABC will not require the family to use an independent inspector selected by HABC, but HABC has determined that a licensed inspection organization must be used. Copies of the independent inspection report must be provided to the family and HABC. Based on the information in this report, the family and HABC will determine whether any pre-purchase repairs are necessary. HABC may disapprove the unit for homeownership assistance because of information in the report.

In addition to the HQS inspection and the independent inspection, the participant must have a Lead Paint Risk Assessment Test conducted on the home prior to homeownership assistance being provided. The unit must receive a rating of "Lead Free" or "Lead Safe" in order for the homeownership subsidy to be approved for the unit.

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to HABC. The contract of sale must specify the price and terms of the sale (the property must appraise at or above the sale price) and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. HABC must approve the seller prior to the participant entering into the contract. The contract must also:

- Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory;
- Provide that the purchaser is not obligated to pay for necessary repairs; and
- Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.



### 19.7.7 Financing [24 CFR 982.632]

The family is responsible for securing financing. HABC has established financing requirements, listed below, and may disapprove of the proposed financing if HABC determines that the debt is unaffordable. HABC will prohibit the following forms of financing:

- Balloon payment mortgages
- Variable interest rate loans
- Interest only loans
- Seller financing (HABC may grant an exception in consideration of loans made by entities such as Habitat for Humanity and Neighborhood Assistance Corporation of America (NACA) provided that the loan meets all other HABC loan requirements – HABC approval is required for such exceptions to be granted)
- Second mortgage financing or Equity Lines of Credit
- Refinancing with Cash Out Option
- Closing cost assistance cannot be financed in the loan, paid in full or partial by HABC.

HABC will require a minimum down-payment cash contribution of 3% percent of the purchase price with 1% to be paid from the family's own resources. Expenses paid outside of closing will be counted toward the minimum cash contribution requirement.

The family must show proof of sufficient funds to initiate and complete the housing purchase.

### 19.7.8 Homeownership Payment Assistance

#### 19.7.8.1 Continued Assistance [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month the family moves out.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (i).
- The family must supply information to HABC, or HUD as specified in CFR 982.551(b). The family must further supply any information required by HABC or HUD and obtain

HABC prior approval concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.

- The family must notify HABC before moving out of the home.
- The family must notify HABC if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must attend and complete ongoing homeownership counseling.
- Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.
- In order to continue receiving assistance under the homeownership option (excluding elderly/disabled families), the head of household or other adult member who will own the home must remain continuously employed.
- The family must notify HABC of any adverse employment changes immediately. If the participant is separated from his/her employment and refuses employment counseling and/or training, HABC in its discretion may terminate the homeownership assistance immediately.
- If the head of household or adult family member who owns the home is separated from his/her employment for a period of up to sixty (60) calendar days (excluding elderly or disabled families), the homeownership assistance to the family will continue upon HABC's recalculation of the Homeownership assistance based on current household income. This may result in HABC paying a higher subsidy to the family during the 60-day period. HABC will offer temporary homeownership assistance to a family separated from employment only once in a 24-month period.
- In order to continue receiving assistance under the homeownership option (excluding elderly/disabled families) the family must maintain the same level of employment and/or income as they did upon entering the program, or at the time of qualification for the mortgage loan (whichever is greater) as well as following any period of re-employment.

#### ***19.7.8.2 Maximum Term of Homeownership Assistance [24 CFR 982.634]***

Except in the case of elderly or disabled families, the maximum term of homeownership assistance for families that remain income eligible is:

- 15 years, if the initial mortgage term is 20 years or longer, or
- 10 years in all other cases.

The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.

If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least 6 months of homeownership assistance after the maximum term becomes applicable.

If the family receives homeownership assistance for different homes, or from another PHA, the total is subject to the maximum term limitations.

### ***19.7.8.3 Decelerated Assistance for Homeownership Program Participants***

To ease the transition from subsidized homeownership assistance, HABC will develop a schedule of decelerated assistance for an additional five years at the end of the family's applicable assistance term. The decelerated assistance schedule is as follows:

- Participant pays 30% of their adjusted monthly household income, plus:
  - Year 1: 50% of the balance of the mortgage payment;
  - Year 2: 60% of the balance of the mortgage payment;
  - Year 3: 70% of the balance of the mortgage payment;
  - Year 4: 80% of the balance of the mortgage payment;
  - Year 5: 90% of the balance of the mortgage payment.
- By the end of Year 5, participants will be paying the full mortgage payment as a homeowner no longer on the Program.

### ***19.7.8.4 Ownership Interest in Property to be Purchased***

To receive continued Homeownership assistance, anyone who has an ownership interest in the property being purchased must also be listed on the Housing Choice Voucher. The income of all parties who have said ownership interest as stated here, will be included in determining continued participation and assistance in the HCVHP.

During the time a family receives homeownership assistance under the HCVHP, no family member that has an ownership interest in the property being purchased may have an ownership interest in any other residential property, regardless of whether such property is improved with

a residence, is improved with a residence subject to a ground rent, or is unimproved land zoned for residential purposes.

#### ***19.7.8.5 Bankruptcy and Mortgage Affirmation***

HABC will only provide homeownership assistance to families of which one or more persons in the family, including but not limited to the head of household, are legally obligated to pay a mortgage secured by a lien on the property and have an ownership interest in the property.

In the event the head of household files bankruptcy and does not reaffirm the mortgage, HABC will immediately stop homeownership assistance and terminate the family from the HCVHP.

In the even the head of household declines to reaffirm the mortgage but was not delinquent on the mortgage but was not delinquent on the mortgage or facing foreclosure, the family may request to reenter the HCV Program with continued tenant-based assistance.

#### ***19.7.8.6 Bankruptcy and Mortgage Affirmation***

Any participant who is initially approved for homeownership assistance and fails to provide HABC with requested homeownership documents within 60 calendar days of the home purchase will be terminated from the HCVHP and consequently ineligible for continued assistance.

### **19.7.9 Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]**

The monthly homeownership assistance payment is the lower of the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment. In determining the amount of the homeownership assistance payment, HABC will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in this plan for the Housing Choice Voucher program. HABC will pay the homeownership assistance payment to the family or to the lender at the discretion of HABC.

Some homeownership expenses are allowances or standards determined by HABC in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home. Homeownership expenses include:

- Principal and interest on mortgage debt.

- Mortgage insurance premium.
- Taxes and insurance.
- Ground rent, Homeowners Association Dues or Cooperative Charges.
- HABC utility allowance used for the voucher program.
- Principal and interest on debt for improvements
- HABC allowance for routine maintenance costs

#### ***19.7.9.1 Maintenance and Escrow Accounts***

To further assist participants in successfully maintaining their home as well as in planning for any unanticipated property maintenance and upkeep, each participant shall participate in a "Maintenance Expense Escrow" and "Major Repair/Replacement Escrow" Program. The Maintenance Expense Escrow will be used to purchase a home warranty on the property to cover minor repairs for the first five (5) years. The cost of the policy is escrowed in one-twelfth monthly increments annually. The Major Repair/Replacement Escrow is for large-scale repairs not covered under a home warranty. Each home is individually assessed to determine the amount needed for future repairs or emergency repairs that arise and will be escrowed in that amount in monthly increments.

Each homeowner will execute an ACKNOWLEDGMENT OF WARRANTY AND MAINTENANCE ESCROW ACCOUNTS, which authorizes HABC to escrow from the homeowner's subsidy payments a certain dollar amount per month into a banking account for the homeowner's annual Warranty policy and for a Major Repair/Replacement fund. The escrow accounts will be maintained and monitored by HABC.

#### ***19.7.9.2 Homeowner's Warranty Escrow Account***

Upon the participant's submission to HABC of an invoice from the home warranty company, HABC will disburse a check from the Maintenance Expense Escrow to the participant to pay the bill.

#### ***19.7.9.3 Major Repair/Replacement Escrow Account***

For the Major Repair/Replacement Escrow, HABC will send the homeowner quarterly notices of his/her account balance as of the end of that quarter. The homeowner will be required to contact HABC in writing when disbursement of escrow funds is necessary for major maintenance of the home. The homeowner will obtain at least three (3) written estimates from licensed contractors

for the repair in question, and the homeowner will select one of the three contractors to repair the defect. The request for funds must include a copy of an invoice or contract provided the homeowner by the licensed contractor selected by the participant to perform the repairs, describing the work to be performed and the cost and signed by the homeowner and the contractor. HABC, upon approval of the invoice or contract, will disburse a check in the amount requested, up to the balance of the funds in the homeowner's account, to the homeowner, or in HABC's discretion, payable to the participant and the contractor. The homeowner will be responsible for paying the contractor any difference between the cost of the repairs and the homeowner's escrow account balance. The homeowner must submit to HABC an original receipt indicating the contractor was paid in full within ten (10) business days of completion of the job. HABC will make a copy of the receipt and return the original to the homeowner.

#### **19.7.10 Housing Assistance Overpayments**

HUD Regulations: 24 C.F.R. §982.633(b). Family Obligations. (4)(ii)(C) Supplying required information. In addition to other required information, the family must supply any information as required by HABC or HUD concerning the family homeownership expenses.

Upon an annual analysis of the homeowner's escrow account, the homeowner may receive a refund of a portion of the taxes and/or insurance paid, and the homeowner may be required to pay a lower monthly mortgage payment after the escrow analysis based upon a lower amount collected as part of the mortgage payment to pay taxes and/or insurance. The homeowner is required to report any, and all refund checks received from the lender because the refund indicates that HABC has been providing monthly assistance payments based on a higher mortgage amount, which resulted in an overpayment of subsidies to the homeowner or lender.

##### ***19.7.10.1 Money Owed to HABC Due to an Overpayment***

The homeowner is required to report changes in mortgage payments and any mortgage-related refunds within five (5) business days to HABC's:

- Homeownership Coordinator, at (410) 396-4175, located at the Housing Authority of Baltimore City, Office of Resident Services – Pleasant View Gardens, HABC Homeownership Programs, 417 E. Fayette Street, Baltimore, MD 21202; and
- The appropriate HCVHP Case Manager, located at the Housing Authority of Baltimore City, Housing Choice Voucher Program Office, 1225 W. Pratt Street, Baltimore, MD 21223.

If the homeowner fails to report any refund, upon HABC's discovery of the refund, HABC will calculate the amount owed to HABC. The amount owed will be based upon the percentage of the mortgage paid by HABC. HABC at its discretion, may immediately reduce the amount of each subsequent monthly housing assistance payment to the homeowner or lender by the amount it overpaid the subsidy every month, until it has recouped the overpayment. HABC may allow the participant to enter into a payment agreement not to exceed six (6) months. At HABC's discretion a payment agreement may be granted no more than two times during the Homeownership Program participation term. If HABC reduces the amount of the monthly HCVHP assistance, the homeowner will be solely responsible to pay the lender the current mortgage payment based on the reduced subsidy until HABC has recouped all overpayments.

#### ***19.7.10.2 Refunds to the Participant Due to an Overpayment***

As stated above, the homeowner is required to report changes in mortgage payments, increases or decreases, and any mortgage-related refund from the lender based on an escrow analysis within five (5) business days, as directed above. If the homeowner reports such information within that time period, and has received a refund, HABC will review the homeowner's mortgage account and determine how much of the refund is due HABC because of an overpayment of the subsidy, which was calculated on a higher mortgage amount. The portion of the refund due HABC will be based on the percentage of the mortgage paid by HABC during the period on which the refund is based. Any remaining portion of the refund will belong to the homeowner. The homeowner has five (5) business days from the date of HABC's written notice to the homeowner, to reimburse the overpayment. Failure by the homeowner to reimburse the overpayments will result in immediate suspension of all subsidy payments to the homeowner or lender thirty (30) calendar days after HABC's written notice to the homeowner, and will remain suspended until the payments are made. Pending payment to HABC and the resumption of the subsidy payments, the homeowner must pay the lender any difference between the mortgage and the suspended subsidy payments.

Adjustments to a homeowner's escrow account by a lender that result in higher monthly mortgage payments should also be reported to HABC as above, and appropriate adjustments will be made in the amount of the homeowner's monthly housing assistance payments. To obtain an adjustment the homeowner must make a written request explaining the cause or justification of the increase and supply supporting documentation that justifies their claim. A consideration will be denied if the cause of the mortgage increase was not due to increase in real property taxes or homeowner's insurance.

### 19.7.11 Delinquency in Making Monthly Mortgage Payments

HUD Regulations: 24 C.F.R. §982.633(b). Family Obligations; Compliance with Mortgage. The family must comply with the terms of any mortgage which secures the debt incurred to purchase the home (or any refinancing of such debt).

Failure to make monthly mortgage payments in accordance with the borrower's loan documents, resulting in the mortgage becoming delinquent (defined as 30 to 60 days past due with no payments being made), is a breach of the participant's mortgage loan and the HCVHP family obligations and is cause for suspension or termination by HABC of homeownership assistance payments. When HABC becomes aware that the loan has become delinquent, HABC will immediately suspend homeownership assistance to the family.

#### 19.7.11.1 *Suspension of Payments*

The participant's housing assistance payments will be suspended until the participant demonstrates that the mortgage has been brought current or signed a modification or repayment agreement with the mortgage servicer. It is the participant's responsibility to notify HABC that his/her mortgage has been brought current or that the mortgage servicer has entered into a mortification agreement with the homeowner to bring the mortgage current over a specified period of time. Once HABC has received the proper documentation, HABC will remove the suspension (additional program agreements may be initiated/required).

If the family has met all obligations under the HCVHP, but desires to sell the home and return to HABC's rental Housing Choice Voucher Program, the family may be eligible to receive a tenant-based voucher; however, the family must sell the home before HABC may provide rental assistance.

### 19.7.12 Mortgage Default

HUD Regulations: 24 C.F.R. §982.552; 24 C.F.R. §982.638 Denial or Termination of Assistance. HABC must terminate voucher homeownership assistance for any member of a family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) which secured the debt to purchase the home, or any refinancing of such debt. However, at HABC's discretion, the family may be permitted to move to a housing unit with continued voucher rental assistance. In determining whether to provide a family with rental assistance after a mortgage default, HABC will consider the following factors:

- The family did not default on an FHA-insured mortgage.



- The reason for the mortgage default.
- The effect of denial of rental assistance on other family members who were not responsible for the mortgage default.
- The disability of a household member.

#### ***19.7.12.1 Tenant-Based Voucher Assistance in the Event of a Default***

If there is a default on a mortgage (whether FHA-insured or non-FHA) that has not yet resulted in a judgment of foreclosure and dispossession from the home, HABC at its discretion may issue the family a rental voucher for a new unit only if:

- Participant is otherwise in good standing (See Chapter 15, Continued Assistance)
- Participant notifies HABC in writing of his/her intent to sell or convey the property through:
  - Sale of the Property
  - Short sale of the Property; or
  - A deed in lieu of foreclosure; and
- The family vacates the home upon the sale, short sale, or a deed in lieu of foreclosure. HABC will not permit a move to a new unit with continued voucher rental assistance if the family defaulted on a FHA-insured mortgage and has failed to demonstrate that (i) it has conveyed, or will convey, title to the home as required by HUD to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

Upon the sale, short sale, or a deed in lieu of foreclosure, the participant must provide HABC with a copy of the final HUD-1 Settlement Statement, or the proper documentation establishing the mortgage holder's acceptance of the short sale or a deed in lieu of foreclosure. When HABC receives the documents, it will schedule an appointment between the HCVP office and the family to determine whether the participant is eligible to receive rental assistance in a new unit.

The cost of any interim housing upon sale or vacation of the property and prior to approval of rental housing assistance will be the responsibility of the family.

#### **19.7.13 Death of Family Member**

HUD Regulations: 24 C.F.R. §982.633. Continued Assistance Requirements. Upon the death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by

operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members.

#### 19.7.14 Hardship Exemption Policy

Participant families are expected to maintain employment and income to meet homeownership expenses. However, when the family suffers a loss of employment and/or income, HABC's hardship exemption policy increases homeownership assistance to the family for up to 60 days. Under an extended hardship exemption policy ("Extended Hardship Exemption"), HABC will consider extending homeownership assistance beyond the 60 days due to a participant's difficulty in finding new employment as a result of an economic recession or to a participant's necessity to change careers because of the scarcity of opportunities in the participant's current trade, based on the Extended Hardship Exemption policy described below.

##### 19.7.14.1 *Extended Hardship Exemption Policy*

HABC will consider an Extended Hardship Exemption in the following two instances:

###### 19.7.14.1.1. Loss of Employment

When a participant establishes that a loss of employment and/or income was due to an economic recession and the loss exceeds 60 days, the participant may be eligible for the Extended Hardship Exemption, for a period not to exceed two (2) years. To be considered for the Extended Hardship Exemption, the participant will be required to show proof of job search, interviews, and receipt of unemployment insurance benefits and/or other benefits upon request, at the initial grant of the Extended Hardship Exemption and at six (6)-month intervals.

###### 19.7.14.1.2. Scarcity of Employment

When a participant claims the necessity to change careers because of scarce opportunities in his/her current trade and is returning to school or enrolled in an employment training program to prepare for a new career, HABC may grant increased homeownership assistance under the Extended Hardship Exemption policy for a period not to exceed three (3) years. To be considered for the Extended Hardship Exemption based upon a necessity of changing careers, the participant will be required to provide proof of enrollment and anticipated completion date of higher education or employment training program at the initial grant of the Extended Hardship Exemption, and at six (6)-month intervals thereafter (the participant will be required to stay enrolled, in order to receive increased homeownership assistance payments; upon receiving a degree or certification the payments will end).

Extended Hardship Exemption assistance will only be granted one time during the homeowner's HCVHP term.

#### 19.7.15 Suspension or Termination of Assistance

HUD Regulations: 24 C.F.R. §§982.551, 552, 553, 633, 638 Homeownership option: Denial or termination of assistance for family. Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in Chapter 15 of the Administrative Plan. However, the provisions of CFR 982.551 (c) through (j) are not applicable to homeownership.

In addition to violations of the Family Obligations outlined in Chapter 15, the following violations may also result in suspension or termination of the HCVHP assistance:

- Failure to notify the HABC of receipt of tax and/or insurance refunds and resulting changes in monthly mortgage amount, as set forth in the section above entitled "Housing Assistance Overpayments";
- Failure to complete post-purchase counseling; and
- Failure to recertify or attend the HABC scheduled meetings or training.

With the exception of the first bulleted item above, which results in immediate suspension of HCVHP assistance, if the participating family fails in its Family Obligations as outlined in Chapter 15 or fails to complete post-purchase counseling and/or recertify or attend the HABC scheduled meetings or training, after the HABC's second attempt to resolve the non-compliance, the housing assistance payments will be suspended until the participant is in compliance. If the participant complies within 90 days after suspension, payment of the suspended payments will be considered upon request and HABC's acceptance of the justification for the failure to comply.

After 90 days from suspension and continued non-compliance, homeownership assistance will be terminated. In any case where HABC decides to terminate assistance to the family, HABC will give the family prior written notice that states:

- The reason(s) for the termination decision;
- The effective date of the termination;
- The family's right, if it disagrees, to request an informal hearing with the HABC before the termination date; and
- The date by which a request for an informal hearing must be received by the HABC.

If suspension or termination is based upon actions or inactions by the homeowner(s) resulting from a disability, the HABC will delay the suspension or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

#### **19.7.16 Portability [24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]**

Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this plan, a family determined eligible for homeownership assistance by the initial public housing agency ("PHA") may purchase a unit outside of the initial PHA's jurisdiction, if the receiving PHA is administering a housing choice voucher homeownership program and accepting new homeownership families.

The receiving PHA must absorb the family into its voucher program. The receiving PHA arranges for housing counseling and the receiving PHA homeownership policies apply.

#### **19.7.17 Moving with Continued Assistance [24 CFR 982.637]**

HUD Regulations: 24 C.F.R. §982.637. A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home. A family utilizing the homeownership option must reside in the unit for a period of five (5) years before approval to move to another unit is granted in writing from HABC. In the event an elderly/disabled family requests approval to move, a decision will be granted on a case-by-case basis.

##### ***19.7.17.1 Funding Restrictions on Moves with Continued Assistance***

HABC will not pay more than what any participant currently receives in assistance.

##### ***19.7.17.2 Contribution Towards Purchase of a New Home***

HABC may require participants to use a percentage of net proceeds towards the purchase of a second home. The percentage will equal the percentage HABC contributes to the participant's current mortgage payments.

##### ***19.7.17.3 Re-Entering the Homeownership Program after Sale of Home***

Homeownership participants who sell their home and continue to receive regular tenant-based assistance with the Housing Choice Voucher will be required to remain in the HCV Program for

three (3) years before reapplying for the Homeownership Program. At HABC's discretion, considering the circumstances, this 3-year term may be decreased.

Reentering the Homeownership Program will not extend the original subsidized term. The participant's maximum subsidy upon reentering the Homeownership Program will be capped at the last subsidy amount received as a previous Homeownership Program participant.

#### **19.7.18 SELECTION OF FAMILIES FOR PARTICIPATION IN THE HOMEOWNERSHIP PROGRAM**

Except for Flag Priority Buyers and AHI Priority Buyers, applicants for homeownership may only be selected from the HABC/HCVF Homeownership Program Waiting List.

HABC will operate a separate homeownership waiting list and all tenant-based applicants who are income eligible will automatically be placed on the list without penalty to any other pending application for assistance.

## Chapter 20: PROJECT-BASED PROGRAM ASSISTANCE

### 20.1. INTRODUCTION

Project-based vouchers are a component of HABC's Housing Choice Voucher Program. Under the project-based program HABC may attach voucher assistance to specific housing units for which a HAP (housing assistance payment) contract has been executed.

HABC generally operates its project-based voucher program in accordance with regulations promulgated at 24 CFR 983. Except as expressly modified or excluded by HABC's Housing Choice Voucher Program Administrative Plan, provisions of Part 983 shall apply.

### 20.2. CONSISTENCY WITH AGENCY PLAN AND DECONCENTRATION GOALS

HABC may enter into a project-based HAP contract if circumstances indicate that the project basing of units, rather than tenant basing of the same amount of assistance, is an appropriate option. In addition, project basing of vouchers must be consistent with the statutory goals of de-concentrating poverty and expanding housing and economic opportunity.

HABC will provide, as an attachment to its MTW Plan, a statement of the projected number of project-based units and general locations and show how the project basing is consistent with its overall MTW Plan.

### 20.3. HABC SOLICITATION PROCESS

HABC will announce the availability of project-based vouchers (PBV) via a Request for Proposals (RFP) for existing, substantially rehabilitated and newly constructed housing, as needed, consistent with broad public announcement methods.

In order for a proposal to be considered, the owner must submit a complete proposal to HABC that responds to all of the requirements in the RFP. HABC will not review any incomplete proposals and will return incomplete proposals to the proposers. Before selecting a PBV proposal, HABC will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing and meets the site selection standards.

Utilizing the criteria in the RFP, HABC will evaluate proposals on a first come, first served basis during the period designated for proposal submission for PBV assistance and determine which projects are eligible for funding commitments.

The evaluation factors in the RFP include but are not limited to:

- The extent to which the project furthers HABC's goal of deconcentrating poverty and expanding housing and economic opportunities; and
- The extent to which a project compliments other local activity, such as the redevelopment of public housing sites, the HOME program, CDBG activities, and other development activities in a HUD-designated Enterprise Zone, Economic Community, Renewal Community or Neighborhood Stabilization Program Area.

#### 20.4. PROPOSAL SELECTION PROCESS

HABC will select PBV proposals by any of the following methods.

- PBV Request for Proposals - HABC may solicit proposals using a request for proposals on a competitive basis in response to an HABC request. HABC may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- Proposals that were previously selected based on competition - In order to both maximize the impact of its project-based vouchers and to minimize the number of application processes for developers, HABC may include selection of a proposal for housing assisted under federal, State of Maryland, or City of Baltimore's housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded Low Income Housing Tax Credits have been provided). HABC may also directly contact specific owners that have already been selected for federal, State of Maryland, or City of Baltimore, based on a previously held competition, to inform of available PB assistance. HABC reserves the right to not issue project-based voucher contracts in the event the project does not meet HABC's strategic plan initiatives.
- HABC owned PBV units – HABC may utilize PBV assistance at properties owned directly or indirectly by HABC, or an affiliate of HABC, subject to HUD's requirements regarding subsidy layering, without engaging in a competitive process.

#### 20.4.1 HABC'S Notice of Owner Selection

In accordance with the HABC procurement policy, HABC will notify owners in writing of developments selected and not selected for PB Vouchers.

#### 20.5. SUBSIDY LAYERING REVIEW

HABC may rely on the subsidy layering reviews conducted by the State of Maryland's Department of Community and Housing Development (CDA) or other independent HUD-approved entity.

#### 20.6. SITE SELECTION STANDARDS

It is the goal of HABC to select sites for PBV housing that provide for deconcentration of poverty and expanding housing and economic opportunities. HABC may expand housing and economic opportunities in census tracts where poverty concentration is greater than twenty percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD designated Enterprise Zone, Economic Community, Renewal Community, or Neighborhood Stabilization Program Area.
- A census tract where the concentration of assisted units will be or has been decreased as a result of public housing demolition or HOPE VI redevelopment.
- A census tract where the proposed PBV development is located will be undergoing significant revitalization as a result of the dollars invested by the State of Maryland, the City of Baltimore, or Federal programming.
- A census tract where there has been a decline in poverty over the past 5 years.
- A census tract where there are meaningful opportunities for educational and economic advancement.
- A census tract adjacent to other census tracts that contain strong revitalized areas, where significant public/private investment has been made, as well as, other factors contributing to the expansion of affordable housing within the City of Baltimore.



### 20.6.1 Existing and Rehabilitated Housing Site and Neighborhood Standards

The site for existing and rehabilitation housing shall meet the following standards in order to received PBV assistance:

- 1) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site.
- 2) Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- 3) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- 4) Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive.

### 20.6.2 New Construction Site and Neighborhood Standards

A site for new construction shall meet the following standards in order to received PBV assistance:

- 1) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities
- 2) The site must not be located in an area of minority concentration, except as permitted under subparagraph (3) below, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- 3) A project may be located in an area of minority concentration only if:
  - i. Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration; or
  - ii. The project is necessary to meet overriding housing needs that cannot be met in that housing market area.
- 4) 4) The term "sufficient", as used in subparagraph (3)(i) above, does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that over a period of several years will approach an appropriate balance of housing choices within and outside areas of

minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.

## 20.7. FAMILY ELIGIBILITY AND OBTAINING A PROJECT-BASED VOUCHER SUBSIDY

### 20.7.1 Eligibility

Any HCV eligible family on the HABC waiting list that is interested in moving into a specific unit under a project-based HAP contract is eligible for a project-based voucher subsidy. The HABC refers families, who have already applied for housing choice vouchers and are on the waiting list, to properties that have project-based voucher subsidies when units become vacant (the owner provides notification to HABC of vacancy). The HABC project-based selection system complies with the following program requirements:

- Applicants may only be selected from current HCVP participating households or from the HABC waiting list.
- HABC may operate a separate project-based waiting list notwithstanding that all tenant-based applicants who seek project-based housing can be placed on the project-based list upon request and without penalty to any other pending application for assistance.
- HABC may place a family referred by an owner of a project-based unit on its waiting list, subject to stated waiting list policies and selection preferences.
- HABC may create special project-based waiting lists to meet specific HABC goals for housing families meeting specific criteria.

### 20.7.2 Preferences under Project Based Programs

Offers of housing subsidy assistance under Project Based programs will be offered in the following preference order:

- Preference 1: Qualified households currently participating in a HABC HCV program who are in compliance with all HCVP family obligations.
- Preference 2: Qualified households on HABC's HCVP Project-Based waiting list.
- Preference 3: Qualified households on HABC's HCVP waiting list.

### 20.7.3 Removal from Consideration for Assistance under a Project Based Program

A household on HABC's HCVP project-based waiting list may be removed from that waiting list:

- a) For the same reasons and in accordance with the provisions on ineligibility and application withdrawal delineated in Chapters 2, 3 and 4 of this Administrative Plan;
- b) If there were three or more occurrences where an applicant was invited to consider applying for an available project-based unit and rejects the unit, or fails to respond to or apply for that unit;
- c) If there were three or more occurrences where an applicant applied for and was approved by management of a project-based unit to rent that unit and the applicant refuses to enter into a lease for that unit.
- d) Any combination of items "b" and "c" above, in three or more occurrences.

### 20.7.4 Subsidy Limitations

The subsidy provided under the Project Based and the Moderate Rehabilitation (MOD) programs is attached to the unit and remains with the unit after the participant moves out. The participant has no right to continued assistance after vacating the unit or if the participant fails to comply with his/her obligations under the program. The following are exceptions to the above rule:

- a) A participant in a HABC Project-Based Transitional Housing Program (THP) or a HABC Moderate Rehabilitation (MOD) THP who is in good standing with the THP and HABC HCVP requirements for at least twelve (12) months and who successfully completes that program may request and is eligible to receive a tenant-based voucher subject to tenant-based rules and the availability of funds. THP participants must remain in good standing until the THP requirements have been met, and until a voucher has been issued.
- b) A participant in a HABC conventional project-based housing program (non-transitional) or a HABC MOD program (non-transitional) who is in good standing and has lived in a HABC project-based or MOD unit for at least 12 months may request a tenant-based voucher, subject to tenant-based rules and the availability of funds. All participants must remain in good standing with the conventional program and HABC HCVP requirements while on the TBV waiting list, until a voucher has been issued.
- c) A participant in a HABC Project-Based or MOD program where a contract between HABC and the property owner is terminated shall be issued a tenant-based voucher subject to tenant-based program rules and the availability of funds.

Opportunities for tenant-based vouchers are available and discussed with applicants during the initial eligibility interview and with participants during their annual, biennial or triennial recertifications.

Acceptance of a project-based or MOD unit does not impact an existing HABC public housing application or the right to submit an application for HABC's public housing program. No action, however, will be taken if that action is in conflict with the household's existing lease or other HABC regulations.

#### 20.8. SET-ASIDE OF VOUCHERS FOR FAMILIES WITH DISABILITIES

Five hundred (500) Housing Choice Project-Based Vouchers were set-aside for issuance to owners of rental properties and developers that agreed to create and maintain project-based units for non-elderly persons with disabilities (NEDs) as defined in the Bailey Consent Decree (see [Section 4.9](#)). These vouchers are offered, in order by date and time of application, to NEDs on HABC's project-based waiting list who have been found to meet the Housing Choice Voucher Program (HCVP) eligibility criteria and, while it is in existence, who are participating in the Enhanced Leasing Assistance Program (ELAP) established under the Bailey Consent Decree, until the 500 vouchers are exhausted.

If a NED participant moves out of one of the units subsidized by one of these vouchers, the unit will be offered to the next eligible NED referred by the HCVP for the ELAP.

#### 20.9. LONG TERM AFFORDABLE HOUSING UNITS

HABC may create long-term affordable housing units using project-based vouchers to comply with requirements to create units that are compliant with the Uniform Federal Accessibility Standards and units to house non-elderly persons with disabilities in accordance with HABC's obligations under the Bailey Consent Decree. The terms "long term affordable housing units" and "non-elderly persons with disabilities" are defined in the Bailey Consent Decree. Since the Bailey Consent Decree requires the long-term affordable housing units to be equivalent to public housing units with regard to the rights, benefits and privileges provided to the leased family, the long term affordable housing units are not subject to 24 CFR Part 983.

Notwithstanding the provisions under Section 20.7.1. above regarding eligibility for a project-based voucher, eligible applicants offered the long-term affordable housing units will be referred from the HABC Public Housing Waiting List.

## 20.10. FUNDING AND INCENTIVES

### 20.10.1 Section 811 Supportive Housing for Persons with Disabilities

HABC reserves the right, in its sole discretion, to combine capital funds made available from voucher or public housing funds, with 811 funds to create units for non-elderly persons with disabilities pursuant to the Bailey Consent Decree. HABC will make these funds available through a competitive process and will require developers to demonstrate through specified documentation that the project has a gap that cannot otherwise be addressed.

These units must be tenanted by non-elderly persons with disabilities who have active applications on HABC's HCVP waiting list. In these cases, property management of included units will request and receive referrals from HABC and will be required to offer tenancy to persons meeting site eligibility requirements in the order in which names appear on the referred list.

For the purposes of meeting its obligations under the Bailey Consent Decree these units will be counted toward the total number of required project-based units.

An HABC-referred person who accepts an offer of tenancy at one of the included units will have his/her HCVP application placed in an inactive status for a minimum of one year from the date of occupancy of the unit. At the end of that period, the applicant may request reactivation of his/her application. HABC will then reactivate the application with its original application date. To further assist in meeting the above goals, HABC shall waive both the per-building cap (as set forth in 24 CFR 983.56) and the per-project cap (as set forth in 42 USC Sec. 1437f(o)(13)(D)(i)) on the percentage of units, which may be assisted with project based voucher assistance. Rather, determinations of the number or percentage of project-based voucher assisted units per building or per project will be determined on a case-by-case basis. In making these determinations, HABC will take into consideration the effects of voucher concentration, as well as other relevant factors.

## 20.11. NEW PROJECT-BASED UNITS CRITERIA

HABC has identified projects that require project-based assistance in order to serve special populations and/or to retain such units as affordable housing. Consistent with the HUD/HABC Moving to Work initiative, HABC may enter into a project-based HAP contract for projects that meet the following criteria:

- 1) Target Population:

- i. At risk youth between the ages of 18-24, seeking permanent housing with the expectation those tenants will achieve independence in a matter of 2-3 years.
  - ii. Individuals or families that require enhanced services.
- 2) Units Covered: Up to 100% of the units in the building and/or project will utilize project base assistance as long as the project meets the requirements under paragraph 3 of this Section.
- 3) Services: Projects seeking 100% project-based assistance will be required to provide comprehensive social services to the targeted tenant population. Such services may include:
  - o Creation of individualized service plan
  - o Support partnerships with agencies and other programs
  - o Community and relationship building to create family-like support systems
  - o Case management with supported referrals
  - o Support needed to guide older adolescents through the stage of development and successfully launch them into adulthood.
  - o Crisis Intervention
  - o Promotion of healthy behaviors
  - o Life Management skills such as budgeting, saving, shopping, communication, cooking, nutrition and conflict resolution.
  - o GED/ESL, Literacy and job training, job readiness, career planning and placement
  - o Medical screenings
  - o Mentors and Tutoring
  - o Mental health assistance, such as treatment for substance abuse, trauma and/or depression and medication management

20.12. **NEW PROJECT BASED UNITS UNDER MTW**

HABC reserves the right to identify units to receive project-based assistance, to develop the rules applying to these units and to assign funding for these units, consistent with the HUD/HABC Moving to Work initiative.

In order to meet the requirements of the Thompson and Bailey consent decrees, to provide a greatly needed increase in decent and affordable housing in Baltimore City, and to create additional supportive housing facilities for in-need populations, HABC may use up to 30% of its HUD allocated budget authority to select proposals and enter into contracts for the provision of project-based voucher housing units.

To further assist in meeting the above goals, HABC shall waive both the per-building cap (as set forth in 24 CFR 983.56) and the per-project cap (as set forth in 42 USC Sec. 1437f(o)(13)(D)(i)) on the percentage of units, which may be assisted with project-based voucher assistance. Rather, determinations of the number or percentage of project-based voucher assisted units per building or per project will be determined on a case-by-case basis. In making these determinations, HABC will take into consideration the effects of voucher concentration, as well as other relevant factors.

20.13. **BALTIMORE REGIONAL PROJECT-BASED PROGRAM**

HABC reserves the right to set-aside a specific number of project-based vouchers for a Regional Project-Based mobility program. For more information on this program, please refer to the Baltimore Regional Project-Based Voucher Program Administrative Plan.

## Chapter 21: MONITORING, RECORDKEEPING AND REPORTING

### 21.1. INTRODUCTION

HABC must maintain complete and accurate accounts and other records for the program in accordance with its MTW requirements, in a manner that permits a speedy and effective audit. In addition, HABC must furnish to HUD accounts and other records, reports, documents and other information as required under the MTW agreement.

This chapter details the monitoring, recordkeeping and reporting practices that are to be followed by HABC.

#### 21.1.1 **Monitoring of Program Requirements and Performance**

HABC has developed monitoring procedures as part of its required internal control systems to monitor the program's requirements and performance standards. The monitoring procedures are designed to assist HABC in streamlining its operation, improving efficiency, and ensuring compliance with MTW rules and regulations.

### 21.2. MTW MONITORING

See next page for a chart showing Requirements, Standards, and Procedures.



Requirement	Standard	Procedure
<p>Reexamination of Assisted Families</p>	<p>Incomes of assisted families must be reexamined every two years on a timely basis, so that any changes in housing assistance payments are effective on the applicable anniversary date.</p> <p>Incomes of assisted families with 100% fixed income will be reexamined every three years (36 months).</p> <p>HABC's compliance standard shall be reexamination of a minimum of 95% of participating households once every 2 years.</p>	<p>HCV staff schedules reexaminations in a manner that ensures completion within 24-36 months of the previous re-examination (timeframe is dependent on sources of income per family). Completion includes all third party verifications, rent change notices to participants at least 30 days prior to the effective date and participant records maintenance.</p> <p>The participants are scheduled 120 days in advance of the effective date and are required to provide any data deemed necessary by HABC to determine continued eligibility.</p> <p>Upon completion of the reexamination, HABC will provide the results of the reexamination to each household in writing, and advise the households of their right to an informal hearing.</p> <p>Additionally, when it has been implemented, HABC will complete the HUD MTW-50058.</p>
<p>Accurate HAP Payments to Owners</p>	<p>Assure that housing assistance payments reflect the actual amount of contract rent and tenant rent initially listed on the HAP Contract, and any changes required because of a family reexamination, an interim reexamination or contract rent adjustments.</p> <p>Ensure that payments are not made for any HAP Contract that has been terminated.</p>	<p>Review HAP payment versus contract rent agreement during the reexamination procedure.</p>

Requirement	Standard	Procedure
Expend available HAP funding	Utilize at least 95% of available and assigned HAP funds annually.	<p>Continuously track funding and expenditures and identify surpluses/deficits.</p> <p>In the event of surplus, issue initial vouchers.</p> <p>In the event of deficit, determine actions necessary to bring program within available funding.</p>
Waiting List	<p>HABC will review its waiting list to answer the following questions:</p> <p>Has outreach been effective for families least likely to apply?</p> <p>Is additional outreach necessary for any particular family category, or to fill preferences?</p>	Review the waiting list to determine if there are enough families to fill the number of new vouchers, which may be issued, based on funding availability.
Housing Quality Standards (HQS)	HABC will track the number of units that did not meet HQS. This information will help HABC in determining the extent to which the program has improved the quality of housing in the area. HABC's compliance standard shall be inspection of a minimum of 95% of all units at least once every 2 years.	<p>HCVP staff will maintain active records of all of the units that fail to meet HQS.</p> <p>As the HQS deficiencies are repaired, update records to indicate new status.</p> <p>Keep annual records of the number of houses initially failing HQS, the number that eventually pass HQS, and the number where the HAP contract has been terminated due to HQS failure</p>

### 21.3. PROGRAM REPORTING

Under the MTW agreement, HABC is required to and will submit standardized reports regarding the HCV program to HUD throughout the year (see HUD/HABC MTW Agreement). Upon completion and implementation of the MTW50058 process by HUD, HABC will be required to submit household data.

#### 21.4. RECORD KEEPING AND OTHER DATA

HABC will maintain documents for each family in accordance with the MTW agreement and HABC's records retention and documentation regulations.

HABC will maintain the following information for at least three years:

- A copy of the executed lease.
- The HAP Contract.
- The Application from the family.
- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants.
- An application from each ineligible family and notice to the applicants and participants.
- HUD required reports.
- Unit inspection reports.
- Lead-based paint inspection records as required by 24 CFR § 982.401 (j).
- Accounts and other records supporting HABC budget and financial statements for the program.
- Other records specified by MTW rules.
- Reexamination notices and work papers.
- Income verification forms.
- Copies of relevant correspondence.
- All requests for lease approval.
- All rent reasonableness determinations.
- Interim re-determination forms and related records.
- Notification of lease disapprovals, if applicable.
- Records concerning denial of assistance, or termination of assistance.
- All Authority records and determinations concerning informal reviews or hearings affecting an applicant or participant in the program

- Family Service Records that identify all contacts HABC has had with the family or other on behalf of the family, information and support services supplied at the briefing session(s), referrals provided, and response to complaints or requests for assistance.

#### 21.5. DATA ORGANIZATION AND STORAGE

HABC shall determine the method and media for maintaining and organizing required and necessary program data (see Section C., above), both paper and electronic, to best meet HABC HCV program needs.

# Addendums and Appendix

## Chapter 22: PROGRAM INTEGRITY ADDENDUM

### 22.1. INTRODUCTION

The US Department of Housing and Urban Development (HUD) conservatively estimates that \$600 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible or are receiving benefits which exceed their legal entitlement.

HABC is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

HABC will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines HABC's policies for the prevention, detection and investigation of program abuse and fraud.

### 22.2. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will HABC undertake an inquiry or an audit of a participating family arbitrarily. HABC's expectation is that families will comply with HUD requirements, provisions of the voucher, and other program rules. HABC's staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, HABC has a responsibility to HUD, the community, and eligible families in need of housing assistance, to monitor participants and owners for compliance and when indicators of possible abuse come to the attention of HABC, to investigate such claims.

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

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

- **Internal File Review.** A follow-up will be made if HABC staff discovers (as a function of a certification or re-examination, an interim re-determination, or a quality control review), information or facts which conflict with previous file data, HABC's knowledge of the family, or is discrepant with statements made by the family.

### 22.2.1 Verification of Documentation

A follow-up will be made if HABC receives independent verification or documentation that conflicts with representations in the family's file (such as public record information or reports from credit bureaus or from other agencies).

### 22.3. STEPS THE HABC WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

HABC management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participants. This policy objective is to establish confidence and trust in management by emphasizing education as the primary means to obtain compliance by families.

- **Things You Should Know (HUD-1140-OIG):** This program integrity bulletin (created by HUD's inspector general) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify HABC's expectations for cooperation and compliance.
- **Program Orientation Session ("Briefing"):** Mandatory briefing sessions will be conducted by HABC staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all briefing sessions, the family representative will be required to sign an acknowledgement form to confirm that all rules and pertinent regulations were explained to them.
- **Resident Counseling:** HABC will routinely provide participant counseling as a part of every (re)certification interview in order to clarify any confusion pertaining to program rules and requirements.
- **Review and explanation of Forms:** Staff will explain all required forms and review the contents of all certification documents.
- **Use of Instructive Signs and Warnings:** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

- **Participant Certification:** All family representatives will be required to sign a "Participant Certification" form, as contained in the HUD Participant Integrity Program Manual.

#### 22.4. STEPS THE HABC WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

HABC staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

- **Quality Control File Reviews:** Prior to initial certification, and at the completion of all subsequent recertifications, a sampling of files may be reviewed (Quality Control File Review). Such reviews shall include, but are not limited to:
  - Assurance that verification of all income and deductions is present.
  - Changes in reported Social Security Numbers or dates of birth.
  - Authenticity of file documents.
  - Ratio between reported income and expenditures.
  - Review of signatures for consistency with previously signed file documents.
  - All forms are correctly dated and signed.
- **Observations:** HABC management and staff (to include inspection personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income. Observations will be documented in the family's hard-copy and electronic files.
- **State Wage Data Record Keepers:** Inquiries to employment record-keeping agencies, as authorized under Public Law 100-628, and the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.
- **Credit Bureau Inquiries.** Credit Bureau inquiries may be made (with proper authorization by the applicant or participant) in the following circumstances:
  - At the time of final and continued eligibility determination;
  - When an allegation is received by the HABC wherein unreported income sources are disclosed; and
  - When a participant's expenditures exceed his/her reported income and no plausible explanation is given.



## 22.5. HABC HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

HABC staff will encourage all participating families to report suspected abuse to HABC's Internal Audit and Investigative Unit (IAIU). All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated to determine if they warrant follow-up.

- **File Review:** An internal file review will be conducted to determine whether the subject of the allegation is a client of HABC and, if so, whether or not the information reported has been previously disclosed by the family. HABC will then determine if it is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.
- **Conclusion of Preliminary Review:** If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the IAIU or designee will initiate an investigation to determine if the allegation is true or false.

## 22.6. OVERPAYMENTS TO OWNERS

If a landlord has been overpaid as a result of fraud, misrepresentation or violation of the Housing Assistance Payment (HAP) Contract ("the Contract"), HABC may terminate the Contract and arrange for restitution to HABC and/or the family as appropriate.

## 22.7. HOW HABC WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If HABC determines that an allegation or referral warrants follow-up, HABC will secure written authorization from the applicant/participant for the release of information and continue to conduct an investigation or refer the case to the appropriate department (IAIU), law enforcement agency, and/or to HUD. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below.

- Credit Bureau Inquiries (CBI): In cases involving previously unreported income sources, a CBI inquiry may be made to determine whether the financial activity of a family conflicts with the families reported income.

- Verification of Credit: In cases where the financial activity conflicts with file data, a verification of credit form may be mailed to the creditor to determine the source of unreported income.
- Employers and Ex-Employers: Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.
- Neighbors/Witnesses: Neighbors and/or other witnesses may be interviewed if they are believed to have direct or indirect knowledge of facts pertaining to HABC's review.
- Other Agencies: Investigators, caseworkers or representatives of other benefit agencies may be contacted.
- Public Records: If relevant, HABC will review public records kept in any jurisdictional courthouse. Examples of public records that may be checked are real estate records, marriage and divorce records, uniform commercial code financing statements, voter registration rolls, judgments, court or police records, state wage records, utility records, and postal records.
- Interviews with Head of Household or Family Members: HABC will discuss the allegation (or details thereof) with the head of household or family member by scheduling an appointment at the appropriate HABC office. High standards of courtesy and professionalism will be maintained by HABC staff. If possible, an additional staff person will attend such interviews.

#### 22.8. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY HABC

Documents and other evidence obtained by HABC staff during the course of an investigation will be considered "work product" and will be kept in either the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked area. Such cases under review will be discussed only among HABC staff whom are involved in the process or have information that may assist with the investigation.

#### 22.9. CONCLUSION OF HABC'S INVESTIGATIVE REVIEW

At the conclusion of the investigation and/or review, it will be determined whether the facts are conclusive and, if so, whether a violation has or has not occurred.

## 22.10. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, HABC will review the facts to determine:

- What type of violation has occurred (i.e. procedural, non-compliance, and/or fraud);
- Whether the violation was intentional or unintentional;
- What amount of money (if any) is owed by the family; and
- Whether the family is eligible for continued occupancy.

## 22.11. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, HABC will propose the most appropriate remedy based upon the type and severity of the violation.

Procedural Non-compliance: This category applies when the family "fails to" observe a procedure or requirement of HABC, but does not misrepresent a material fact, and there are no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

- Failure to appear at a pre-scheduled appointment.
- Failure to return verification in time period specified by HABC. In such cases a notice will be sent to the family that contains the following ("Warning Notice to the Family"):
  - A description of the non-compliance and the procedure, policy or obligation which was violated.
  - The date by which the violation must be corrected, or the procedure complied with.
  - The action which will be taken by HABC if the procedure or obligation is not complied with by the date specified.
  - The consequences of repeated (similar) violations.

Procedural Non-compliance - Overpaid Assistance: When the family owes money to HABC for failure to report changes in income or assets, HABC will issue a Notification of Overpayment of Assistance. This notice will contain the following:

- A description of the violation and the date(s) of violation.
- Any amounts owed to HABC.

- A thirty (30) calendar day deadline for response.
- The right to disagree and to request an informal hearing with instructions for the request of such hearing.

Participant Fails to Comply with HABC Notice: If the participant fails to comply with HABC's notice, and a family obligation has been violated, HABC will initiate the termination of assistance.

Participant Complies with HABC Notice: When a family complies with HABC's notice, the staff person responsible will meet with the participant to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

Intentional Misrepresentation: When an applicant or participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by HABC, HABC will evaluate whether or not:

- *The applicant/participant had knowledge that his/her actions or inactions were wrong.* This will be evaluated by determining if the applicant/participant was made aware of program requirements and prohibitions. The applicant/participant's signature on various certifications, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong doing.
- *The applicant/participant willfully violated the family obligations and/or the law.* Any of the following circumstances will be considered adequate to demonstrate willful intent:
  - An admission by the applicant/participant of the misrepresentation.
  - That the act was done repeatedly.
  - If a false name or Social Security Number was used.
  - If there were admissions to others of the illegal action or omission.
  - That the applicant/participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
  - That the applicant/participant falsified, forged or altered documents.
  - That the applicant/participant uttered and certified to statements at interim and/or (re)certification which were later independently verified to be false.

Dispositions of Cases Involving Misrepresentations: In all cases of misrepresentations involving efforts to recover monies owed, HABC may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

*a) Criminal Prosecution:* If HABC has established criminal intent, and the case meets the criteria for prosecution, HABC will refer the case to the local State or District Attorney, notify HUD's Regional Inspector General for Investigations (RIGI), and terminate rental assistance.

*b) Administrative Remedies:*

- Terminate assistance and demand payment of restitution in full.
- Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with HABC's repayment policy (see Chapter 17, Section 17.2).

## Chapter 23:GLOSSARY

### 23.1. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
ELI	Extremely low income
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FmHA	Farmers Home Administration
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
GR	Gross Rent
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Plan
HCDA	Housing and Community Development Act

HQS	Housing Quality Standards
HUD	The Department of Housing and Urban Development or its designee.
HURRA	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
IG	Inspector General
IGR	Independent Group Residence
IPA	Independent Public Accountant
IRA	Individual Retirement Account
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QC	Quality Control
RFAT	Request for Approval of Tenancy
RFP	Request for Proposals
RRP	Rental Rehabilitation Program
SRO	Single Room Occupancy
SSMA	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment

## 23.2. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

**1937 ACT.** The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

**ADMINISTRATIVE PLAN.** The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD as a supporting document to the PHA Plan.

**ABSORPTION.** In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

**ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE").** Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

**ACTUAL AND IMMINENT THREAT.** Refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, and the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

**ADA.** Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

**ADJUSTED INCOME.** Annual income, less allowable HUD deductions.

**ADMINISTRATIVE FEE.** Fee paid by HUD to the PHA for administration of the program.

**ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve").** Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

**ADMISSION.** The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

**AFFILIATED INDIVIDUAL.** (1) a spouse, parent, brother, sister, or child of an individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or (2) any individual, tenant, or lawful occupant living in the household of that individual.



**AGED-OUT FOSTER CARE YOUTH.** Unaccompanied youth under 25 years of age, or families with children and youth who do not meet any of the other HUD categories of homelessness but are homeless under other federal statutes, have not had a lease and have moved 2 or more times in the past 60 days and are likely to remain unstable because of special needs or barriers.

**ANNUAL BUDGET AUTHORITY.** The maximum annual payment by HUD to a PHA for a funding increment.

**ANNUAL CONTRIBUTIONS CONTRACT (ACC).** A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

**ANNUAL INCOME.** The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

**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.

**"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.)

**ASSISTED TENANT.** A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

**BIFURCATE.** To divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

**BUDGET AUTHORITY.** An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority

is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

**CERTIFICATE.** A Certificate issued by the PHA under the Section 8 pre-merger certificate program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation. Will no longer be issued after October 1, 1999.

**CERTIFICATE PROGRAM.** Pre-merger rental certificate program.

**CHILD CARE EXPENSES.** Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

**CO-HEAD.** An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

**COMMON SPACE.** In shared housing: Space available for use by the assisted family and other occupants of the unit.

**CONGREGATE HOUSING.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.

**COOPERATIVE.** A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

**CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT.** (Consolidated ACC). See 24 CFR 982.151.

**CONTIGUOUS MSA.** In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

**CONTINUOUSLY ASSISTED.** An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

**CONTRACT.** (See Housing Assistance Payments Contract.)

**COOPERATIVE.** (term includes mutual housing). Housing owned by a nonprofit corporation

or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: See 24 CFR 982.619.

**COVERED FAMILIES.** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

**DATING VIOLENCE** means violence committed by a person: (1) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (2) where the existence of such a relationship shall be determined based on a consideration of the length, type and frequency of interaction between the persons involved in the relationship.

**DEPENDENT.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

**DISABILITY ASSISTANCE EXPENSE.** Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

**DISABLED PERSON.** See Person with Disabilities.

**DISPLACED PERSON/FAMILY.** A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

**DOMESTIC VIOLENCE** includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner 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 or intimate partner, 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. The term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG-RELATED CRIMINAL ACTIVITY.** The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)).

**DRUG TRAFFICKING.** The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603 (c).

**ELDERLY FAMILY.** A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

**ELDERLY HOUSEHOLD.** A family whose head or spouse or whose sole member is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and wellbeing.

**ELDERLY PERSON.** A person who is at least 62 years old.

**ELIGIBILITY INCOME.** May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

**ELIGIBLE FAMILY (Family).** A family is defined by the PHA in the administrative Plan, which is approved by HUD.

**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.

**EXCEPTION RENT.** In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See FMR/Exception rent.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly or disabled families only in excess of 3% of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.** A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30% of medical income for an a if HUD finds such variations are necessary due to unusually high or low family incomes.

**FAIR HOUSING ACT.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.)

**FAIR MARKET RENT (FMR).** The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register*.

**FAMILY.** "Family" includes but is not limited to:

A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);

An elderly family;

A near-elderly family; A displaced family

The remaining member of a tenant family; and

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

("Family" can be further defined by the PHA).

**FAMILY OF VETERAN OR SERVICE PERSON.** A family is a "family of veteran or service person" when:

The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family

contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

**FAMILY RENT TO OWNER.** In the voucher program, the portion of the rent to owner paid by the family.

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**FAMILY SHARE.** The amount calculated by subtracting the housing assistance payment from the gross rent.

**FAMILY UNIT SIZE.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA's subsidy standards.

**FMR/EXCEPTION RENT.** The fair market rent published by HUD headquarters. In the pre-merger certificate program the initial contract rent for a dwelling unit plus any utility allowance could not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the PHA adopts a payment standard schedule that is within 90% to 110% of the FMR for each bedroom size.

**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 attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

**FUNDING INCREMENT.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

**GROSS FAMILY CONTRIBUTION.** Changed to Total Tenant Payment.

**GROSS RENT.** The sum of the Rent to Owner and the utility allowance. If there is no utility allowance, Rent to Owner equals Gross Rent.

**GROUP HOME.** A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

**HAP CONTRACT.** (See Housing Assistance Payments contract.)

**HEAD OF HOUSEHOLD.** The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOUSING AGENCY.** A state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PAYMENT.** The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner for rent to owner under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

**HOUSING ASSISTANCE PAYMENTS CONTRACT.** (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

**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 tenant-based programs.

**HUD.** The Department of Housing and Urban Development.

**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.

**IMPUTED ASSET.** Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

**IMPUTED INCOME.** HUD passbook rate x total cash value of assets. Calculation used when assets exceed \$5,000.

**IMPUTED WELFARE INCOME.** An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

**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.

**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 by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

**INITIAL PHA.** In portability, the term refers to both:

A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and

A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

**INITIAL PAYMENT STANDARD.** The payment standard at the beginning of the HAP contract term.

**INITIAL RENT TO OWNER.** The rent to owner at the beginning of the HAP contract term.

**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.

**JURISDICTION.** The area in which the PHA has authority under State and local law to administer the program.

**LANDLORD.** This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

**LARGE VERY LOW INCOME FAMILY.** Prior to the 1982 regulations, this meant a very low income family which included six or more minors. This term is no longer used.



**LEASE.** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

**LEASE ADDENDUM.** For pre-merger Certificate, pre-merger OFTO, and pre-merger Voucher tenancies, the lease language required by HUD in the lease between the tenant and the owner.

**LIVE-IN AIDE.** A person who resides with an elderly person or disabled person and who is determined to be essential to the care and well-being of the person, is not obligated for the support of the person, and would not be living in the unit except to provide necessary supportive services.

**LOCAL PREFERENCE.** A preference used by the PHA to select among applicant families.

**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. HUD may establish income ceilings higher or lower than 80% for areas with unusually high or low income families.

**MANUFACTURED HOME.** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type. See 24 CFR 982.620 and 982.621.

**MANUFACTURED HOME SPACE.** In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624

**MARKET RENT.** The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

**MEDICAL EXPENSES.** Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are

not covered by insurance. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

**MERGER DATE.** October 1, 1999.

**MINOR.** A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MIXED FAMILY.** A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3).

**MONTHLY ADJUSTED INCOME.** 1/12 of the Annual Income after Allowances or Adjusted Income.

**MONTHLY INCOME.** 1/12 of the Annual Income.

**MUTUAL HOUSING.** Included in the definition of COOPERATIVE.

**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.

**NEAR-ELDERLY FAMILY.** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides.

**NEGATIVE RENT.** Now called Utility Reimbursement. A negative Tenant Rent results in a Utility Reimbursement Payment (URP).

**NET FAMILY ASSETS.** 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.

**NET FAMILY CONTRIBUTION.** Former name for Tenant Rent.

**NON CITIZEN.** A person who is neither a citizen nor a national of the United States.

**OCCUPANCY STANDARDS.** [Now referred to as Subsidy Standards] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

**OVER-FMR TENANCY (OFTO).** In the pre-merger Certificate program: A tenancy for which the initial gross rent exceeds the FMR/exception rent limit.

**OWNER.** Any persons or entity having the legal right to lease or sublease a unit to a participant.

**PARTICIPANT.** A family that has been admitted to the PHA's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (First day of initial lease term).

**PAYMENT STANDARD.** The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

**PERSON WITH DISABILITIES.** A person who has a disability as defined in 42 U.S.C 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means an "individual with handicaps" as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes).

**PHA PLAN.** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with part 903 of this chapter.

**PORTABILITY.** Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

**PREMISES.** The building or complex in which the dwelling unit is located, including common areas and grounds.

**PRIVATE SPACE.** In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

**PROCESSING ENTITY.** Entity responsible for making eligibility determinations and for income reexaminations. In the Section 8 Program, the "processing entity" is the "responsible entity."

**PROGRAM.** The Section 8 tenant-based assistance program under 24 CFR Part 982.

**PROGRAM RECEIPTS.** HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

**PUBLIC ASSISTANCE.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

**PUBLIC HOUSING AGENCY (PHA).** PHA includes any State, county, municipality or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), or any of the following:

- A consortia of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortia members):
- Any other public or private non-profit entity that was administering a Section 8 tenant- based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or
- For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

**REASONABLE RENT.** A rent to owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

**RECEIVING PHA.** In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

**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 there are no additional changes to be reported. There are annual and interim recertifications.

**REGULAR TENANCY.** In the pre-merger certificate program: A tenancy other than an over-FMR tenancy.

**REMAINING MEMBER OF TENANT FAMILY.** Person left in assisted housing after other family members have left and become unassisted.

**RENT TO OWNER.** The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

**RESIDENCY PREFERENCE.** A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

**RESIDENCY PREFERENCE AREA.** The specified area where families must reside to qualify for a residency preference.

**RESIDENT ASSISTANT.** A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or wellbeing. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

**RESPONSIBLE ENTITY.** For the public housing and Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

**SECRETARY.** The Secretary of Housing and Urban Development.

**SECTION 8.** Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

**SECURITY DEPOSIT.** A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

**SERVICE PERSON.** A person in the active military or naval service (including the active reserve) of the United States.

**SEXUAL ASSAULT** means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

**SHARED HOUSING.** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type.

**SINGLE PERSON.** A person living alone or intending to live alone.

**SPECIAL ADMISSION.** Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

**SPECIAL HOUSING TYPES.** See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

**SPECIFIED WELFARE BENEFIT REDUCTION.** Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

**SPOUSE.** The husband or wife of the head of the household.

**STALKING** means engaging in a course of conduct directed at a specific person that would cause a reasonable person to: (1) fear for the person's individual safety or the safety of others; or (2) suffer substantial emotional distress.

**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:

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

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

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 the project is owned by a Public Housing Agency;

A Public Housing Project.

**SUBSIDY STANDARDS.** Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**SUBSTANDARD UNIT.** Substandard housing is defined by HUD for use as a federal preference.

**SUSPENSION/TOLLING.** Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan

must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension.

**TENANCY ADDENDUM.** For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.

**TENANT.** The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

**TENANT RENT.** The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing). For a tenancy in the pre-merger certificate program, tenant rent equals the total tenant payment minus any utility allowance.

**TOTAL TENANT PAYMENT (TTP).** The total amount the HUD rent formula requires the tenant to pay toward gross rent and utility allowance.

**UNIT.** Residential space for the private use of a family.

**UNUSUAL EXPENSES.** Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

**UTILITIES.** Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

**UTILITY ALLOWANCE.** If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

**UTILITY REIMBURSEMENT.** In the voucher program, the portion of the housing assistance payment which exceeds the amount of the rent to owner.

**UTILITY REIMBURSEMENT PAYMENT.** In the pre-merger certificate program, 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.

**VACANCY LOSS PAYMENTS.** (For pre-merger certificate contracts effective prior to 10/2/95) When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in

which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

**VAWA** means the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and U.S.C. 14043e et seq.).

**VERIFIED UNACCOMPANIED HOMELESS YOUTH.** Unaccompanied youth under 25 years of age, or families with children and youth who do not meet any of the other HUD categories of homelessness but are homeless under other federal statutes, have not had a lease and have moved 2 or more times in the past 60 days and are likely to remain unstable because of special needs or barriers.

**VERY LARGE LOWER-INCOME FAMILY.** Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

**VERY LOW INCOME FAMILY.** A Lower-Income Family whose 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. This is the income limit for the pre-merger certificate and voucher programs.

**VETERAN.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom 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.

**VOUCHER (rental voucher).** A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

**VOUCHER HOLDER.** A family holding a voucher with an unexpired term (search time).

**VOUCHER PROGRAM.** The Housing Choice Voucher program.

**WAITING LIST.** A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

**WAITING LIST ADMISSION.** An admission from the PHA waiting list.



**WELFARE ASSISTANCE.** Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. FOR THE FSS PROGRAM (984.103(b)), "welfare assistance" includes only cash maintenance payments from Federal or State programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.

**WELFARE RENT.** This concept is used ONLY for pre-merger Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.

If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

**WELFARE-TO-WORK (WTW) FAMILIES.** Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

### 23.3. 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 OF CITIZENSHIP OR ELIGIBLE STATUS.** 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.

**HUD.** Department of Housing and Urban Development.

**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. **PHA.** A housing authority who operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

**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 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

**HOUSING AUTHORITY OF BALTIMORE CITY**  
**Housing Choice Voucher Program**

**Procedure: Application Screening, Eligibility and Denial of Assistance For Criminal  
Activity**

**INTRODUCTION & SCOPE**

All applicants for the Housing Choice Voucher (Section 8) Program (HCVP) must be subject to a screening process in accordance with Department of Housing and Urban Development (HUD) rules and regulations and the HABC Administrative Plan for the HCVP. The screening consists of a criminal background investigation of the family, including the head of household (HOH), spouse/co-head and all other family members 14 years of age and older. Except for applicants referred to the Housing First Voucher Program and the Ex-Offender Voucher Program, the HABC will deny admission to applicants in cases where evidence, in the form of misdemeanor or felony convictions, demonstrates that the HOH or any of the household members engage in drug-related criminal activity, violent criminal activity, or other criminal activity that interferes with the health, safety or right to peaceful enjoyment of other residents. For applicants referred to the Housing First Voucher Program, HABC will conduct criminal background screening for felony convictions which demonstrate that the HOH or any of the household members engaged in drug-related criminal activity, violent criminal activity, or other criminal activity that interferes with the health, safety or right to peaceful enjoyment of other residents.

For applicants referred to the Ex-Offender Voucher Program, HABC will conduct criminal background screening only in cases involving a conviction for which federal law requires a denial of admission.

**Federal Mandatory Denial of Admission**

All applicants, including those referred to the Housing First Voucher Program and the Ex-Offender Voucher Program, will be permanently denied admission if:

- Any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing; or

- Any household member is subject to a lifetime registration requirement under Maryland's Sex Offender Registration Program found at Title 11, Subtitle 7 of the Criminal Procedure Article of the Maryland Annotated Code, as amended.

#### **RELATED DOCUMENTS AND LEGAL AUTHORITY**

42 U.S.C. §1437f; 42 U.S.C §13661; 24 C.F.R.§ 982.4, 982.54, 982.552, 982.553, 982.554; 24

C.F.R. § 5.100; HCVP Administrative Plan; Conviction & Denial Factor Key; Informal Review Request Form; Informal Review Form; Exclusion Agreement Form; Administrative Review

HOUSING AUTHORITY OF BALTIMORE CITY  
Housing Choice Voucher Program

Procedure: Application Screening, Eligibility and Denial of Assistance For Criminal  
Activity

**I. Definitions**

**Drug:** a controlled dangerous substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

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

**Federally Assisted Housing:** housing assisted under any of the following programs: public housing; project-based or tenant-based assistance under Section 8 of the US Housing Act of 1937; other housing programs as defined in 24 C.F.R. § 5.100.

**Period of Ineligibility:** The period of time during which a household member convicted of a crime will be ineligible for participation in the HCVP. The periods of ineligibility for each crime are set forth in the Conviction and Eligibility Key. The periods of ineligibility start from the date of conviction or the date of release from incarceration whichever is later.

**Right to peaceful enjoyment:** the right to exclusive use and possession of the unit without interference from the landlord or other person under the landlord's control.

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

**Mandatory Denials**

- a) The HABC must permanently prohibit admission to the HCVP for applicants in the following categories:
- 1) Any household member who has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing;
  - 2) Any household member who is subject to a lifetime registration requirement under Maryland's Sex Offender Registration Program found at Title 11, Subtitle 7 of the Criminal Procedure Article of the Maryland Annotated Code.

- b) The HABC must prohibit admission to the HCVP for three years from the date of eviction if any household member has ever been evicted from federally assisted housing for drug-related criminal activity. The HABC will admit the household if the HABC determines:
- 1) The evicted household member who engaged in the drug-related criminal activity has successfully completed a supervised drug rehabilitation program; or
  - 2) The circumstances leading to the eviction no longer exist (for example, the criminal household member has died, is imprisoned, or otherwise no longer a member of the household). In these circumstances the remaining household member may be required to comply with an Exclusion Agreement in order to gain admission to the HCVP. See paragraph III (1)(f) below.

### **Permissive Denials**

- a) The HABC will also deny admission if any household member is currently engaged in, or has engaged in during a reasonable time before the admission in any drug-related criminal activity, violent criminal activity, or other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.
- b) In making its determination to deny assistance based on the above-referenced criminal activity, HABC will only consider criminal charges which resulted in convictions.
- c) The HABC has created a Conviction and Denial Eligibility Key which lists offenses and periods of ineligibility during which applicants convicted of the offense will be ineligible to participate in the HCVP. The periods of ineligibility are not cumulative for multiple offenses; therefore the applicant is subject to the longest period of ineligibility applicable.
- d) During the initial eligibility review, offenses that result in convictions will be subject to a period of ineligibility of 18 months for a misdemeanor offense and 3 years for a felony offense. The Conviction and Eligibility Denial Key provides guidance regarding the period of ineligibility.
- e) If the Applicant is determined ineligible during the initial eligibility process due to a criminal conviction, the Applicant is not removed from the waiting list; however, the eligibility process will be suspended. In order to complete the eligibility process, the Applicant must request reconsideration of the Applicant's eligibility within four months after the expiration of the ineligibility period. If the Applicant fails to make the request within the four-month period, HABC will remove the Applicant from the waiting list.
- f) Applicants are responsible for informing the HABC of any changes in their contact information and responding to all HABC correspondence during the period of ineligibility.

- g) The HABC may as a condition of assistance require the applicant to exclude the criminal household member from the unit for the period of ineligibility. The applicant will be required to execute an Exclusion Agreement, which prohibits the offending household member from occupying the unit during the specified time period. Refusal to execute the Exclusion Agreement will result in application denial. Any violation of the Exclusion Agreement will result in termination of assistance. Once the period of ineligibility expires, the participant may submit a written request to add the offending household member to the unit.

### **Notice of Denial and Informal Review**

- a) The HABC will give applicants written notice of a decision denying assistance to the applicant which contains a brief statement of the reason for the denial, a description of the specific crime(s) under which the applicant is being denied and the period of ineligibility. This notice will also state that the applicant may request an Informal Review and describe how to schedule this review.
- b) If the reason for the denial is alleged criminal activity, the HABC will provide the applicant with a copy of the criminal record used to deny eligibility.
- c) Applicants will have 14 – calendar days from the date the denial notice is received to return the Informal Review Request Form. The denial is presumed to have been received 3 business days after the date of mailing.
- d) The HABC may accept an Informal Review Request Form beyond the 14 calendar day period for good cause.
- e) Once the Informal Review Request Form has been received, HABC will mail the applicant an Informal Review Notice detailing the Informal Review date, time, and location, the applicant’s right to appear with legal representation, the right to bring witnesses and any other documentation to support their case, including evidence of mitigating circumstances. Applicants may request a postponement of the Informal Review one time without cause. Additional postponements may be requested for good cause only. As a reasonable accommodation to a person with a disability, the Informal Review may be conducted by telephone.
- f) The Informal Review is presided over by the Informal Review Officer. The Officer must be a qualified employee, who is not involved in application screening, did not make or approve the initial decision to deny assistance, and is not a subordinate of the latter.
- g) The HABC Representative and the Applicant may present witnesses, affidavits, documentary evidence, and oral argument. Each may also question any adverse witness and examine all documents presented at the Informal Review.

- i) The Informal Review Officer shall maintain a record of the Informal Review which must contain all correspondence between HABC and the Applicant related to the denial, copies of all evidence presented at the Informal Review, a summary of all testimony presented, copies of any notes written by the Officer during or after the Informal Review, and a copy of the Officer's written decision. In determining whether to uphold or overturn the decision denying admission, the Informal Review Officer may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of the denial of assistance on other family members who were not involved. Additionally, the Informal Review Officer may consider evidence from a service provider certifying to the Applicant's receipt of services, the Applicant family's participation in social service or other appropriate counseling service programs as long as there is a nexus between the criminal offense and the services provided, and such services would result in a reasonable probability of the Applicant's favorable future conduct. The Informal Review Officer may also consider whether the conviction resulted from a problem the Applicant experienced due to being homeless and that a home will resolve the problem.
- k) In determining whether to uphold the decision denying admission for illegal use of drugs by a household member who is no longer engaged in such behavior, the Informal Review Officer may consider whether such household member is participating in or has successfully completed a supervised drug rehabilitation program, or has otherwise been rehabilitated successfully. In such case, the Informal Review Officer may require the applicant to submit evidence showing participation in or successful completion of, a supervised drug rehabilitation program.
- l) The Informal Review Officer will issue a written decision, which will include a statement of the particular facts and program requirements on which the decision is actually based. The decision will be mailed to the applicant within 14 calendar days from the date of the Informal Review.



APPENDIX I: CONVICTION &  
ELIGIBILITY DENIAL KEY (FOR  
GUIDANCE PURPOSES ONLY)

Abuse and Other Offensive Conduct CJIS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Child abuse	Felony	Criminal Law § 3-601 parent, other person with custody of minor, or household/family member  may not cause physical injury to minor	3 years
Sexual abuse of a minor	Felony	Criminal Law § 3-602	3 Years or Sexual Offender Registry- Lifetime Bar
Sale of a minor	Felony	Criminal Law § 3-603  a person may not sell, barter, trade or offer to sell a minor for money, property, or anything of value	3 years
Abuse or neglect of vulnerable adult	Felony	Criminal Law § 3-604 caregiver, parent, household member, person with custody, may not cause abuse or neglect vulnerable adult that results in serious physical injury or involves sexual abuse	3 Years

Abuse or neglect of vulnerable adults	Misdemeanor	Criminal Law § 3-605 caregiver, parent, other person with custody, or household/family member may not cause abuse or neglect vulnerable adult	18 months
Arson – in the first degree	Felony	Criminal Law § 6-102 willfully setting fire to or burning a dwelling or structure w/person in it	3 Years
Arson – in the second degree	Felony	Criminal Law § 6-103 willfully setting fire to or burning a structure	3 Years
Malicious burning of personal property – in the first degree	Felony	Criminal Law § 6-104 willfully setting fire to or burning personal property of another worth \$1,000 or more	3 Years
Malicious burning of personal property – in the second degree	Misdemeanor	Criminal Law § 6-105 willfully setting fire to or burning personal property of another worth less than \$1,000	18 months
Burning with intent to defraud	Misdemeanor	Criminal Law § 6-106 willfully setting fire to or burning property with intent to defraud	18 months

Assault, Reckless Endangerment, and Related Crimes CJIS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Assault – in the first degree	Felony	Criminal Law § 3-202 intentionally cause or attempt to cause serious physical injury to another	3 Years
Assault – in the second degree	Misdemeanor or Felony	Criminal Law § 3-203 a person may not commit an assault	18 months / 3 Years
Reckless Endangerment	Misdemeanor	Criminal Law § 3-204 reckless conduct that creates a substantial risk of death or bodily injury	18 months
Life-threatening injury by motor vehicle or vessel while under the influence of alcohol and related crimes	Misdemeanor	Criminal Law § 3-211 a person may not cause  life-threatening injury by motor vehicle or vessel while under the influence of alcohol	18 months
Attempted poisoning	Felony	Criminal Law § 3- 213 attempt to poison a person	3 Years
Contaminating water supply or food or drink	Felony	Criminal Law § 3-214 knowing contamination of water source, food supply, etc.	3 Years

Burglary and Related Crimes CJIS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Burglary – in the first degree or home invasion	Felony	Criminal Law § 6-202 breaking and entering dwelling of another with intent to commit theft or violence	3 Years
Burglary – in the second degree	Felony	Criminal Law § 6-203 breaking & entering storehouse of another with intent to commit theft, violence, 2nd degree arson, or carry away firearms	3 Years
Burglary – in the third degree	Felony	Criminal Law § 6-204 breaking & entering dwelling of another with intent to commit crime	3 Years
Burglary – in the fourth degree	Misdemeanor	Criminal Law § 6-205 breaking & entering dwelling or storehouse of another, being in or on dwelling or storehouse of another with intent to commit theft	18 months
Breaking and entering motor vehicle - Rogue and vagabond	Misdemeanor	Criminal Law § 6-206 a person may not possess a burglar's tool with the intent to use or allow the use of the burglar's tool in the commission of a crime involving the breaking and entering of a motor vehicle	18 months
Burglary with destructive devices	Felony	Criminal Law § 6-207 opening or attempting to open safe using destructive device while committing 1st, 2nd, or 3rd degree burglary	3 Years

Breaking and entering a research facility	Felony	Criminal Law § 6-208 breaking & entering research facility with intent to obtain control over, alter, damage, move, or destroy research property	3 Years
<b>Credit Card Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Credit card counterfeiting	Felony	Criminal Law § 8-205 falsely making a purported credit card, falsely embossing a credit card, or transferring or possessing a falsely made instrument purported to be a credit card; unauthorized signature on a credit card with intent	3 Years
Obtaining property by counterfeiting, theft, or misrepresentation	Felony or Misdemeanor	Criminal Law § 8-206 a person may not for the purpose of obtaining money, goods, services or anything of value with the intent to defraud use a credit card obtained in violation of 8-204 or 8-205 or a credit card that the person knows to be	3 Years / 18 months
Fraud -- Honoring stolen or counterfeit credit card; false representation to issuer	Felony or Misdemeanor	Criminal Law § 8-207 if a person is authorized by an issuer to furnish money, goods, services on presentation of a credit card by the cardholder, the person or an agent or employee of the person may not, with the intent to defraud the issuer or cardholder furnish if the credit card was obtained in violation of 8-204, 8205 or if the person knows the credit card is counterfeit.	3 Years / 18 months

<b>Crimes Against Public Administration CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Representation of toxic material or destructive device	Felony	Criminal Law § 9-505 a person may not manufacture, possess, transport, or place a device that is constructed to represent a destructive device	3 Years
Injury to or interference w/ property- Acting w/ intent to hinder defense-related activity	Felony	Criminal Law § 9-702 a person may not destroy, impair, damage, or interfere or tamper w/ real property or personal property w/ intent to hinder, delay, or interfere w/ a defense-related activity	3 Years
Defective workmanship - -Acting w/ intent to hinder defense-related activity	Felony	Criminal Law § 9-703 a person may not intentionally make or cause to be made or omit to note on inspection a defect in a product to be used in connection w/ a defense-related activity	3 Years
<b>Crimes Relating To Animals CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Abuse or neglect of animal	Misdemeanor	Criminal Law § 10-604 a person may not overdrive or overload animals; deprive animals; inflict pain on an animal	18 months

Attending a dogfight or cock fight	Misdemeanor	Criminal Law § 10-605 a person may not knowingly attend a deliberately conducted dogfight as a spectator.	18 months
Aggravated cruelty to animals – In general	Felony	Criminal Law § 10-606 a person may not intentionally mutilate, torture, cruelly beat, or kill an animal	3 Years
Aggravated cruelty to animals – Dogfights	Felony	Criminal Law § 10-607 a person may not use or allow a dog to be used in a dog fight	3 Years
Aggravated cruelty to animals – Cockfights	Felony	Criminal Law § 10-608 a person may not use or allow the use of a fowl, cock, or other bird to fight with another animal	3 Years
Killing of dog or cat – Prohibited means	Misdemeanor	Criminal Law § 10-611 a person may not kill or allow a dog or cat to be killed by decompression, gas, or curariform drugs	18 months
Abandoning domestic animal	Misdemeanor	Criminal Law § 10-612 a person who owns, possesses, or has custody of a domestic animal may not drop or leave the animal on the road, in a public place, or on a private property	18 months



Poisoning dog	Misdemeanor	Criminal Law § 10-618 a person may not willfully or maliciously give poison or ground glass to a dog	18 months
Interference with race horse	Felony	Criminal Law § 10-620 a person may not willfully or maliciously interfere with, injure, destroy, or tamper w/ a horse used for racing	3 Years
Injuring or trapping carrier pigeon	Misdemeanor	Criminal Law § 10-622 a person may not shoot, kill, or maim a carrier pigeon	18 months
<b>Disturbing the Peace, Disorderly Conduct CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Disturbance the public peace and disorderly conduct	Misdemeanor	Criminal Law § 10-201 may not obstruct or hinder free passage of another, act in disorderly manner that disturbs peace, fail to obey lawful order, make unreasonably loud noise	18 months
<b>Drug Related Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>

Possessing or administering controlled dangerous substance	Misdemeanor	Criminal Law § 5-601 possession or administration of any CDS	18 months
Keeping common nuisance		Criminal Law § 5-605 resorted to by individuals for the purpose of administering illegally controlled dangerous substances; or where controlled dangerous substances or controlled paraphernalia are manufactured, distributed, dispensed, stored, or concealed illegally	18 months
Drug kingpin	Felony	Criminal Law § 5-613 an organizer, supervisor, financier, or manager who acts as a coconspirator in a conspiracy to manufacture, distribute, dispense, transport in, or bring into the State a controlled dangerous substance	3 Years
<b>Drug Related Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Importer of certain controlled dangerous substances	Felony	Criminal Law § 5-614 bringing into state CDS's exceeding certain enumerated amounts	3 Years
Distributing faked controlled dangerous substance	Felony	Criminal Law § 5-617 distribution of non- controlled substance as CDS	3 Years

Possession or purchase of non controlled substance	Misdemeanor	Criminal Law § 5-618 possession or purchase of non- CDS believed to be CDS	18 months
Drug paraphernalia	Misdemeanor	Criminal Law § 5-619 use/possession of drug paraphernalia; delivery or sale of paraphernalia or possession of w/intent to do as much	18 months
Controlled paraphernalia	Misdemeanor	Criminal Law § 5-620 possession of controlled paraphernalia (syringe or instrument adopted related)	18 months
Use of weapon as separate crime	Felony	Criminal Law § 5-621 a person may not possess a firearm during and in relation to a drug traffic crime	3 Years
Firearm Crimes	Felony	Criminal Law § 5-622 a person may not possess, own, carry or transport a firearm if the person has been convicted of an attempted felony, a felony, or conspiracy to commit of felony	3 Years
Proceeds of drug crime	Felony	Criminal Law § 5-623 receiving or acquiring proceeds knowing they derived from CDS offense or engaging in financial transactions relating w/similar knowledge	3 Years

Drug-induced conduct	Misdemeanor	Criminal Law § 5-624 administration of CDS to another without that person's knowledge and commission of crime against that person	18 months
Controlled dangerous substance near school	Felony	Criminal Law § 5-627 manufacture, dispense, or possess CDS w/intent to do near schools	3 Years
Use of minor	Felony	Criminal Law § 5-628 using minors to manufacture, distribute, or deliver controlled dangerous substance	3 Years
Dispensing prescription drug	Misdemeanor	Criminal Law § 5-701 a person may not dispense a prescription drug unless licensed; manufacture, distribute, possess w/ intent to distribute; affix a false or counterfeit label; omit, remove or alter a prescription; obtain a prescription by fraud	18 months
Harboring, Escape, and Contraband CJIS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Harboring fugitive	Misdemeanor	Criminal Law § 9-402 may not harbor fugitive from prosecution, custody or confinement after conviction of felony	18 months

Harboring escaped inmate	Misdemeanor	Criminal Law § 9-403 may not harbor felon who escaped from custody	18 months
Escape - in the first degree	Felony	Criminal Law § 9-404 knowingly escape from place of confinement, juvenile facility, or violate restriction on movement of temporary release or home detention	3 Years
Escape – in the second degree	Misdemeanor	Criminal Law § 9-405 knowingly depart from custody after arrest, fail to obey order to report to confinement	18 months
Contraband - weapon	Felony	Criminal Law § 9-414 deliver weapon to person detained or confined	3 Years
Contraband- Controlled Dangerous Substance	Misdemeanor	Criminal Law § 9-416 deliver cds to person detained or confined	18 months
<b>Hate Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>

<p>Damaging property of religious entity</p>	<p>Misdemeanor or Felony</p>	<p>Criminal Laws § 10-302 a person may not deface, damage, or destroy, or attempt to deface, damage, or destroy, personal or real property of church, synagogue, or other place of worship; a cemetery; religious school, educational facility, or community center, and grounds adjacent to them</p>	<p>18 months / 3 Years</p>
<p>Obstructing exercise of religious belief</p>	<p>Misdemeanor or Felony</p>	<p>Criminal Law § 10-303 a person may not, by force or threat of force, obstruct or attempt to obstruct another in the free exercise of that person's religious beliefs</p>	<p>18 months / 3 Years</p>
<p>Crimes; destruction of property</p>	<p>Misdemeanor or Felony</p>	<p>Criminal Law § 10-304 because of another's race, color, religious beliefs, or national origin a person may not harass or commit a crime against that person; damage the real or personal property of that person; deface, damage, or destroy, attempt to deface, damage, or destroy the real or personal property of that person or burn or attempt to burn an object on the real or personal property of that person</p>	<p>18 months / 3 Years</p>

Damage to associated building	Misdemeanor or Felony	Criminal Law § 10-305 may not deface, damage, destroy or burn an object on real or personal property connected to a building that is publicly or privately owned, leased or used because of race, religion, color, national origin	18 months/ 3 Years
Homicide CJIS CODE	Misdemeanor or Felony	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Murder in the first degree	Felony	Criminal Law § 2-201 the killing was willful, deliberate and premeditated; committed by lying in wait; committed by poison; or committed in the perpetration of or an attempt to perpetrate: arson, burglary, carjacking, escape from correctional facility, kidnapping, mayhem, rape, robbery, sexual offense, sodomy, or anything concerning a destructive device (felony murder)	3 Years
Murder in the second degree	Felony	Criminal Law § 2-204 presumption that the homicide is 2nd degree unless the State can prove that the killing was willful, deliberate and premeditated	3 Years
Attempt to commit murder in the first degree	Felony	Criminal Law § 2-205 a specific intent to murder	3 Years

Attempt to commit murder in the second degree	Felony	Criminal Law § 2-206 assault with the intent to murder	3 Years
Manslaughter	Felony	Criminal Law § 2-207 a homicide the occurs without malice	3 Years
Manslaughter by vehicle or vessel	Felony	Criminal Law § 2-209 a person may not cause the death of another as a result of the person's driving, operating, or controlling a vehicle in a grossly negligent manner	3 Years
<b>Homicide by Motor Vehicle or Vessel While Impaired or Under the Influence</b>  CJIS CODE	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Homicide by motor vehicle or vessel while under the influence of alcohol or under the influence of alcohol per se	Felony	Criminal Law § 2-503 a homicide by a motor vehicle while under the influence of alcohol	3 Years



Homicide by motor vehicle or vessel while impaired by alcohol	Felony	Criminal Law § 2-504 a homicide by motor vehicle while impaired by alcohol	3 Years
Homicide by motor vehicle or vessel while impaired by drugs	Felony	Criminal Law § 2-505 a homicide by motor vehicle while impaired by drugs	3 Years
Homicide by motor vehicle or vessel while impaired by a controlled dangerous substance	Felony	Criminal Law § 2-506 a homicide by motor vehicle while impaired by controlled dangerous substance	3 Years
<b>Identity Fraud CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Identity fraud	Felony or Misdemeanor	Criminal Law §8-301 a person may not with fraudulent intent possess, obtain, or help another to possess or obtain any personal identifying information of an individual without the consent of the individual, in order to use, sell or transfer the information to get a benefit, credit, good, service or other thing of value in the name of the individual	3 Years / 18 months

Indecency and Obscenity CJS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Indecent Exposure	Misdemeanor	Criminal Law § 11-107	18 months
Child Pornography	Felony	Criminal Law § 11-207 induce minor to engage as subject in obscene matter, distribute material showing minors engaged in, or using computer to do same	3 Years
Possession of visual representation of child under 16 engaged in certain sexual acts	Felony or Misdemeanor	Criminal Law § 11-208 knowingly possessing film, tape, picture, depicting child under 16 engaged in sex conduct/acts	3 Years / 18 months
Indecency and Obscenity CJS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Hiring minor for prohibited purpose	Misdemeanor	Criminal Law § 11-209 hiring a minor to do or assist in the sale or display of obscene publications	18 months
Kidnapping CJS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility

Kidnapping	Felony	Criminal Law § 3-502 a person may not by force or fraud, carry or cause a person to be carried in or outside the State	3 Years
Child Kidnapping	Felony	Criminal Law § 3-503 a person may not, w/out color of right: abduct, take, carry away a child under the age of 12 years	3 Years
<b>Malicious Destruction and Related Crimes</b>  CJIS CODE	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Malicious destruction -- Generally	Misdemeanor	Criminal Law § 6-301 willful and malicious destruction of real/personal property of another having a value of less than/more than \$500	18 months
Malicious destruction – Throwing object at vehicle	Misdemeanor	Criminal Law § 6-302 unlawful and willful throwing  (of rocks, bricks, scrap) at or into occupied vehicles	18 months
<b>Obstructing Justice</b> CJIS CODE	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>

Inducing false testimony or avoidance of subpoena	Misdemeanor or Felony	Criminal Law § 9-302 a person may not harm, threaten another, or destroy property to influence a victim or witness to testify, or avoid a subpoena	18 months / 3 Years
Retaliation for testimony	Misdemeanor or Felony	Criminal Law § 9-303 a person may not intentionally harm another or destroy property with the intent to retaliate for giving testimony	18 months / 3 Years
Intimidating or corrupting juror	Misdemeanor or Felony	Criminal Law § 9-305 a person may not, by threat, force, or corruption try to influence a juror	18 months / 3 Years
Obstruction of Justice	Misdemeanor	Criminal Law § 9-306 a person may not, by threat, force, or corruption obstruct the administration of justice	18 months
<b>Prostitution and Related Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Receiving earnings of prostitute	Misdemeanor	Criminal Law § 11-304 knowingly receiving money without consideration from earnings of prostitute	18 months
Persuasion, enticement, or aid in persuasion or enticement of individuals under age of 16	Felony	Criminal Law § 11-305 inducing a child under age of 16 to engage in prostitution	3 Years

Solicit or offer to procure or solicit prostitution	Misdemeanor	Criminal Law § 11-306 keep, set up, occupy, maintain, or operate a house for prostitution	18 months
<b>Robbery CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Robbery	Felony	Criminal Law § 3-402 taking and carrying away of the personal property of another, from his person or in his presence, by violence or force	3 Years
Robbery with dangerous weapon	Felony	Criminal Law § 3-403 taking and carrying away of the personal property of another, from his person or in his presence, by violence or force with a weapon	3 Years
Carjacking	Felony	Criminal Law § 3-405 an individual may not take unauthorized possession or control of a motor vehicle from another individual who actually possesses the motor vehicle, by force or violence, or by putting the individual in fear through intimidation or threat of force or violence	3 Years

Sexual Crimes CJIS CODE	Misdemeanor or Felony	Maryland Annotated Code Citation	Period of Ineligibility
Rape in the first degree	Felony	Criminal Law § 3-303 first degree (aggravating factor present such as weapon, injury, others, burglary)	Sex Offender Registry- Lifetime Bar
Rape in the second degree	Felony	Criminal Law § 3-304 2nd degree (no aggravating factors or victim mentally limited or under 14 yrs)	Sex Offender Registry- Lifetime Bar
Sexual Offense in the third degree	Felony	Criminal Law § 3-307 (3rd degree)-- sexual act w/aggravating factors or victim under 14 if defendant 4 yrs older or if victim 14 or 15 if defendant at least 21	Sex Offender Registry- Lifetime Bar
Sexual Offense in the fourth degree	Misdemeanor	Criminal Law § 3-308 (4th degree)-- sexual act without aggravating factors, or victim was 14 or 15 and defendant not 21	18 months
Attempted rape in the first degree	Felony	Criminal Law § 3-309 (1st degree)-- attempt to commit rape	Sex Offender Registry- Lifetime Bar

Attempted rape in the second degree	Felony	Criminal Law § 3-310 (2nd degree)-- attempt to commit rape	Sex Offender Registry- Lifetime Bar
<b>Sexual Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Sexual conduct between correctional or juvenile justice employee and inmate or confined child	Misdemeanor	Criminal Law § 3-314 correctional employee engaging in intercourse and sexual act w/inmate	18 months
Continuing Course of Conduct against Child	Felony	Criminal Law § 3-315 3 or more acts over a period of 90 days in violation of 3-303,3-304, 3-305, 3-306, or 3307	Sex Offender Registry- Lifetime Bar
<b>Stalking and Harassment CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Stalking	Misdemeanor	Criminal Law § 3-802  a malicious course of conduct w/ an intent to place that person in reasonable fear of serious bodily injury or death or that a third person will suffer serious bodily injury or death	18 months

Harassment	Misdemeanor	Criminal Law § 3-803 following another in a public place or maliciously engaging in a course of conduct that alarms or seriously annoys with the intent to harass, alarm, annoy; after receiving a reasonable warning or request to stop.	18 months
<b>Surveillance and Other Crimes Against Privacy</b> <b>CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Visual Surveillance	Misdemeanor	Criminal Law § 3-901 a person may not conduct or procure another to conduct visual surveillance of an individual in a private place w/out consent	18 months
Visual Surveillance with prurient intent	Misdemeanor	Criminal Law § 3-902 a person may not w/ prurient conduct or procure another to conduct visual surveillance of an individual in a private place w/out consent	18 months
Camera Surveillance	Misdemeanor	Criminal Law § 3-903 a person may not place or procure another to place a camera on a private residence to conduct deliberate surreptitious	18 months



<b>Theft CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
General Theft provisions	Felony or Misdemeanor	Criminal Law § 7-104 a person may not willfully or knowingly obtain or exert unauthorized control over property	3 Years / 18 months
Motor vehicle theft	Felony	Criminal Law § 7-105 a person may not knowingly and willfully take a motor vehicle out of the owner's lawful custody, control, or use without the owner's consent	3 Years
<b>Weapon Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Dangerous weapons	Misdemeanor	Criminal Law § 4-101 no person shall wear or carry a dangerous weapon concealed or about the person; or mace, etc. w/ the intent or purpose of injuring any person in any unlawful manner	18 months
Deadly weapons on school property	Misdemeanor	Criminal Law § 4-102 no person shall carry or possess any weapon on any public school property	18 months

Disarming a law enforcement officer	Felony	Criminal Law § 4-103 a person may not knowingly remove or attempt to remove a firearm from the possession of a law enforcement officer	3 Years
Child's access to firearms	Misdemeanor	Criminal Law § 4-104 a person may not store or leave a loaded firearm in a location where the person knew or should have known that an unsupervised child would gain access	18 months
Transfer of switchblade or shooting knife	Misdemeanor	Criminal Law § 4-105 a person may not sell, barter, display, or offer to sell or barter: a knife, penknife that opens automatically, or a shooting knife	18 months
Wearing, carrying, or transporting handgun	Misdemeanor	Criminal Law § 4-203 a person may not wear, carry, or transport a handgun (concealed or open) on or about the person, or in a vehicle traveling on a road or parking lot	18 months
<b>Weapon Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>

Use of firearm in commission of crime	Misdemeanor	Criminal Law § 4-204 a person may not use a handgun or antique firearm capable of being concealed on the person in the commission of a crime	18 months
Possession of firearm at public demonstration	Misdemeanor	Criminal Law § 4-208 a person may not have a firearm in the person's possession or on or about the person at a demonstration in a public place or in a vehicle that is within 1,000 feet of a demonstration in a public place if the person has been advised of the demonstration or ordered by an officer to leave the area	18 months
Assault weapons -- Prohibited	Misdemeanor	Criminal Law § 4-303 a person may not possess an assault pistol unless it was possessed before June 1, 1994 and registered with the Secretary of the State of Police before Aug. 1, 1994	18 months
Detachable magazines -- Prohibited	Misdemeanor	Criminal Law § 4-305 a person may not manufacture, sell, offer for sale, purchase, receive, or transfer a detachable magazine that has the capacity of more than 20 rounds of ammunition	18 months

Use of machine gun in crime of violence	Felony	Criminal Law § 4-404 a person may not use or possess a machine gun in the commission or attempted commission of a crime of violence	3 Years
<b>Weapon Crimes CJIS CODE</b>	<b>Misdemeanor or Felony</b>	<b>Maryland Annotated Code Citation</b>	<b>Period of Ineligibility</b>
Use of machine gun for aggressive purpose	Misdemeanor	Criminal Law § 4-405 a person may not possess or use a machine gun for an offensive or aggressive purpose when the machine gun is not owned or rented by the bona fide permanent resident where the machine gun is found, or is in possession of a foreign-born person, a person who has been convicted of a felony, or the machine is not registered	18 months
Manufacture or possession of destructive device	Felony	Criminal Law § 4-503 manufacture, transport, possess, control, store, sell, distribute, use destructive device, or possess explosive material with intent to create destructive device	3 Years

