HOUSING AUTHORITY of BALTIMORE CITY

Public Housing Admissions and Continued Occupancy Policies

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CHAPTER 1: GENERAL POLICIES

1.1 INTRODUCTION

On March 31, 2005, the United States Department of Housing and Urban Development (HUD) and the Housing Authority of Baltimore City (HABC) entered into a Moving to Work Demonstration Agreement (MTW Agreement). Under the terms of the MTW Agreement, HABC will design and test innovative methods of providing housing and delivering services to low-income families in an efficient and cost-effective manner. The MTW Agreement supersedes most of the terms and conditions of the Annual Contributions Contracts (ACCs), the provisions of the United States Housing Act of 1937 and HUD requirements to the extent necessary for HABC to implement its MTW demonstration program.

The Public Housing Program was created by the U.S. Housing Act of 1937. Administration of the Public Housing Program and the functions and responsibilities of the staff of HABC shall be in compliance with HABC's Personnel Policy, any union agreements of HABC, and this Admissions and Continued Occupancy Policy ("ACOP") and any other duly adopted policies. The administration of HABC's housing program will also meet the requirements of the MTW Agreement. Such requirements include any Public Housing regulations, handbooks, and applicable notices, as may be applicable given HABC's MTW status. All applicable Federal, State and local laws, including fair housing laws and regulations also apply.

1.2 PURPOSE OF THE POLICY

The purpose of this ACOP is to establish guidelines for HABC staff to follow in determining eligibility for admission of applicants and continued occupancy by its residents. These guidelines are governed by the requirements of the MTW Agreement, which takes into consideration local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and HABC.

1.3 UPDATING AND REVISING THE ACOP

HABC will review and update the ACOP to reflect changes in regulations, MTW initiatives, HABC operations, or when needed to ensure staff consistency in operation. The original ACOP and any changes are approved by HABCs Board of Commissioners.

HABC, from time to time, may make non-substantive changes and edits to the ACOP to clarify policy language, address inconsistencies and simplify language.

1.4 LOCAL OBJECTIVES

This ACOP is designed to demonstrate that HABC is managing its program in a manner that reflects its commitment to improving the quality of housing available to its applicants and residents, and its capacity to manage that housing responsibly. In addition, this ACOP is designed to achieve the following objectives:

- To provide improved living conditions for very low- and low-income families while maintaining their rent payments at an affordable level.

- To operate a socially and financially sound public housing agency that provides decent, safe, and sanitary housing within a suitable living environment for residents.

- To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, peaceful enjoyment or welfare of other residents or the physical environment of the neighborhood or create a danger to HABC employees.

- To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.

- To facilitate the judicious management of HABC's inventory, and the efficient management of HABC staff.

- To comply with Title VIII of the Civil Rights Act of 1968 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, national origin, age, religion, sex, familial (family) or disability or disability status.

The HABC Board of Commissioners must approve this ACOP and any subsequent changes. This policy, or portions of it, will be provided to HUD, as may be required.

1.5 MTW AGREEMENT OBJECTIVES

HABC's objectives, under its MTW Agreement, is to operate its public housing program with efficiency and to demonstrate to HUD or independent auditors that HABC is using its resources in a manner that reflects its commitment to quality and service.

1.6 HOUSING OPPORTUNITIES THROUGH MODERNIZATION ACT (HOTMA) OF 2016

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. The HOTMA Final Rule implementing broad changes to income and asset in Sections 102 and 104 of HOTMA, and for PHAs that administer the public housing program, over-income provisions in Section 103, was officially published in the *Federal Register* on February 14, 2023.

On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance to PHAs on the implementation of the program changes described in the Final Rule; this was reissued on February 2, 2024, to provide revisions and further guidance. Subsequently, the implementation of certain provisions of HOTMA has been delayed by HUD. As of the date of this ACOP, HABC is awaiting further guidance from HUD regarding the implementation of certain provisions and related requirements, as well as information that will be used by HABC to determine its internal compliance and implementation dates of various provisions.

- **Section 103:** creates new limitations on program participation for families residing in public housing that remain over-income (OI) for 24 consecutive months. These provisions

have been fully implemented by HABC. See **OVER-INCOME FAMILIES** for more information.

- **Sections 102 & 104:** include changes related to income reviews and asset limitations. As of the date of this ACOP, HABC is awaiting further guidance from HUD regarding the implementation and compliance date for various provisions of HOTMA pertaining to Sections 102 and 104. HABC has updated its policies throughout this ACOP to incorporate HOTMA requirements according to applicable guidance that is available as of the date of this ACOP. This ACOP does not contain HOTMA policies that are not yet able to be implemented, according to HUD guidance.

HABC will update this ACOP and its policies as needed to reflect any subsequent guidance released by HUD pertaining to HOTMA, the Final Rule, and other related regulatory requirements. HABC will comply with the HOTMA Final Rule and all requirements, unless waived by its MTW authority.

1.7 IDENTIFYING MTW AND NON-MTW POLICIES

Policies that are adopted by HABC under the MTW Agreement are specifically noted in the ACOP as MTW policies. Where an ACOP policy relates to MTW and Non-MTW programs, the policy citation will not state MTW or Non-MTW. Finally, where regulatory citations are specifically identified in this ACOP, if a corresponding MTW policy is in effect, the MTW policy will supersede the existing and applicable HUD regulatory citation.

The following table reflects the MTW policies contained in this ACOP including the respective effective date for each MTW initiative and any modification.

Chapter	Section	Heading/Topic	Effective Date
Chapter 1	**PRIVACY RIGHTS & MTW AUTHORIZATION FOR RELEASE OF INFORMATION**	• Privacy Rights & MTW Authorization for Release of Information	• 3/1/2024
Chapter 5: Leasing	**LEASING INCENTIVE**	• Leasing incentive offered for acceptance of hard to lease units	• FY 2024
Chapter 7: Verification	**VERIFICATION HIERARCHY**	• Revised hierarchy for order of verification of family information	• FY 2025

Chapter	Section	Heading/Topic	Effective Date
	AGE OF DOCUMENTS	• Extends the age of documents from 60 days to 120 days from the date provided to HABC	• FY 2020
	THIRD-PARTY VERIFICATION	• Reflects use of written, written form and oral verification as one level of verification	• FY 2025
	SUBSTANTIAL DIFFERENCE	• Increases the threshold for substantial difference from $2,400 to $5,000	• FY 2024
	Earned Income	• HABC will not verify full-time student earned income as it is fully excluded income	• FY 2019
	ASSETS AND INCOME FROM ASSETS	• Allows use of self-certification of assets and asset income when family assets are up to $50,000	• 08/20/2010 • Revision: FY 2019 Plan
Chapter 8: Income & Adjusted Income	**CALCULATING ANNUAL INCOME**	• Reflects use of prospective income calculation for all certification and income types, with exceptions for seasonal income etc. • Use of retrospective income for seasonal income and on third occasion of reduction in income prior to a regular reexamination	• Existing policy that requires an MTW waiver under HOTMA

Chapter	Section	Heading/Topic	Effective Date
	GUARANTEED INCOME EXCLUSION	• Excludes income from Guaranteed Income programs	• FY 2020
	ADOPTON ASSISTANCE PAYMENTS EXCLUSION	• Excludes all adoption assistance payments	• FY 2020
	SEASONAL INCOME	• Allows for the use of retrospective income calculation for seasonal income	• FY 2020
	FULL TIME STUDENT INCOME EXCLUSION	• Exclusion of all FT Student Income	• FY 2019
	ASSET INCOME	• Exclusion of asset income for assets up to $50,000 • Calculates asset income for assets greater than 50,000 using face value times passbook savings rate • Use of market (face) value to determine asset value and income on	• FY 2018
	Net Cash Value Family Assets	• Provides use of market (face) value when determining asset value and income, except where asset restriction at eligibility is concerned	• FY 2019

Chapter	Section	Heading/Topic	Effective Date
	HEALTH & MEDICAL EXPENSE DEDUCTION	• Unreimbursed health and medical expenses that exceed 3% of gross annual income may be deducted • Uses past paid unreimbursed medical expenses plus prospective insurance premiums to calculate deductible expense	• Existing policy that requires an MTW waiver under HOTMA 2024 • 2020
	DISABILITY ASSISTANCE EXPENSE DEDUCTION	• Unreimbursed disability assistance expenses that exceed 3% of gross annual income (in combination with any medical expenses) may be deducted	• Existing policy that requires an MTW waiver under HOTMA 2024
Chapter 14: Reexaminations	**REEXAMINATION FREQUENCY**	• Two-Year Recertifications • Three-year Recertifications for fixed income and flat rent income households	• 2007 • 03/21/2015 • 2018 Revision
	INTERIM REEXAMINATIONS	• Removes requirement to report any increases in income between regular reexaminations. • Exceptions apply to zero income and minimal income individuals and households	• Existing policy that requires an MTW waiver under HOTMA: 2024

Chapter	Section	Heading/Topic	Effective Date
	CHANGES IN FAMILY COMPOSITION	• When a family add a new member and the change results in a TTP greater than the flat rent, HABC will cap the rent at the applicable flat rent	• FY 2025
	EFFECTIVE DATES: CHANGES IN RENT AND RESIDENT CAUSED DELAYS IN PROCESSING INTERIM REEXAMINATIONS	• If a family fails to report a change within the required time frame, the increase in rent will be retroactive to the date it would have been with timely reporting.	• FY 2024
Chapter 20: Family Self-Sufficiency	**FSS CONTRACT OF PARTICIPATION**	• Includes the use of an MTW CoP to reflect MTW FSS policies	• FY 2020
	Contract Term & Extensions to the FSS Contract Of Participation	• FSS CoP term is five years from the effective date of the CoP	• FY 2023
	FSS INCENTIVES	• Provides financial incentives for completing certain interim goals	• FY 2020
	FSS ESCROW CREDIT	• Provides escrow credit based on tiered levels of earned income.	• FY 2025
Chapter 21: Get Ready for Work Opportunities	**GET READY FOR OPPORTUNITIES TO WORK**	• MTW Program where work-able adults are required to maintain employment	• FY 2025

1.8 PRIVACY RIGHTS & MTW AUTHORIZATION FOR RELEASE OF INFORMATION

MTW Policy

Applicants and residents, including all adults (i.e., 18 years of age) in their households, are required to sign the MTW Authorization for Release of Information (MTW Release Form). This document authorizes HABC to request income information from the State wage information collection agency, income information, wages, income, and resource information from financial institutions, net earnings from self-employment, payments of retirement income, and unearned income as referenced at 26 U.S.C. 6103. *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 Release Form will result in the denial of eligibility or termination of assisted housing benefits. Revocation of consent will result in denial of admission or termination of assistance.

In March 2024, existing participants must sign the MTW Release Form at their next regular or interim reexamination. Thereafter, family members do not need to sign and submit subsequent consent forms at the next interim or regularly scheduled income examination except under the following circumstances:

- When any person 18 years or older becomes a member of the family, that family member must sign and submit a consent form;
- When a member of the family turns 18 years of age, that family member must sign and submit a consent form;

The MTW Release Form is signed once by all adults aged 18 and over and any adult added to the family or household member turning 18. The release form will remain effective until the earliest of:

- The rendering of a final adverse decision for an assistance applicant;
- The cessation of a participant's eligibility for assistance from HUD or HABC; or
- The express revocation by the assistance applicant or recipient (or applicable family member) of the authorization in a written notification to HUD.

HABC policy regarding the 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 this ACOP.

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

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.

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

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.

1.9 SMOKE-FREE POLICY

HABC, as required by HUD, has established a smoke-free policy which bars the use of prohibited tobacco products in all public housing living units, interior common areas and outdoor areas within 25 feet from public housing and administrative office buildings (collectively, “restricted areas”).

Residents, staff and guests are required to adhere to HABC’s Smoke Free Policy. Copies of the Smoke-Free Policy are included in this ACOP as an Appendix **SMOKE-FREE POLICY**.

1.10 POSTING OF REQUIRED INFORMATION

HABC’s Central Office and its developments will post, in conspicuous areas, the items outlined below. Where applicable, HABC will post information on its website.

- Income limits for admission
- Current schedule of routine maintenance charges
- HABC’s grievance procedures
- A fair housing poster
- The Zero Tolerance for Sexual Harassment Policy
- An equal opportunity in employment poster
- Required public notices
- Information regarding security deposit charges
- Information on preferences
- Schedule of utility allowances (if applicable)
- Information on screening and eviction for drug abuse and other criminal activity

- Notice of where the ACOP is available
- A notice of where the HABC MTW Plan is available
- The Mold Prevention Notice.
- The fraud hotline information

The following information is available, upon request, from HABC's Central Office and from each development management office:

- A copy of the ACOP
- A copy of the HABC MTW Plan
- Information on application taking
- Directory of HABC's housing developments including names, address of offices and office hours at each facility.
- A copy of the lease
- Resident selection policies
- Information on application taking
- Income limits for admission
- HABC's grievance procedures
- Mission Statement

1.11 TERMINOLOGY

- The Housing Authority of Baltimore City is referred to as the "Housing Authority" or "HABC" throughout this document.
- "Disability" is used where "handicap" was formerly used.
- "Family" is used interchangeably with "Applicant," "Resident," or "Participant" and includes a single-person family.
- "INS" refers to the Immigration and Naturalization Service, or its successor agency. "Landlord" refers to HABC.
- "Noncitizens Rule" refers to the regulation effective June 19, 1995, restricting assistance to U.S. citizens and eligible immigrants.

- “Resident” or "Tenant" is used to refer to lessees of HABC. HABC. See Glossary for other terminology.

1.12 ADJUSTMENTS FOR INFLATION

HUD may adjust deductions for inflation to ensure that deductions do not lose value over time. Using its MTW flexibility HABC and the privately owned/managed site may develop and implement its own inflation adjustments via an approved MTW Plan.

1.13 RESOURCES

The table below includes links to helpful resources to assist staff in applying policies and understanding the regulatory requirements.

Document and Location
Housing Opportunities Through Modernization Act of 2016 HOTMA Final Rule 2-14-2023 Supplemental Guidance for Implementation of Section 103 of HOTMA HOTMA Sections 102 and 104: Updated Guidance to PHAs on Compliance
Code of Federal Regulations http://www.ecfr.gov
Earned Income Disregard FAQs https://www.hud.gov/program_offices/public_indian_housing/phr/about/ao_faq_eid
Enterprise Income Verification (EIV) System PHA Security Procedures, Version 1.2, issued January 2005 https://www.hud.gov/sites/documents/EIVSECGUIDEPHA.PDF
Executive Order 11063 https://www.archives.gov/federal-register/codification/executive-order/11063.html
Federal Register https://www.federalregister.gov/
HUD-50058 Instruction Booklet https://www.hud.gov/sites/documents/FORM50058INSTRUCTBOOKLET.PDF
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 https://www.justice.gov/sites/default/files/crt/legacy/2010/12/14/joint_statement_ra.pdf
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 https://www.lep.gov/guidance/HUD_guidance_Jan07.pdf
Notice PIH 2010-26, Nondiscrimination and Accessibility Notice http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf
Notice PIH 2017-12, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System

Document and Location
https://www.hud.gov/sites/documents/PIH2017-12EIVNOTICE.PDF
Notice PIH 2018-24, Verification of Social Security Numbers (SSNs) Social Security (SS) and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report https://www.hud.gov/sites/dfiles/PIH/documents/PIH-2018-24_EIV_SSN_Notice_FINAL.pdf
OMB Circular A-133 https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A133/a133.pdf
Updates to the Public Housing Occupancy Guidebook https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mod/guidebook
Public Housing Occupancy Guidebook, June 2003 https://www.hud.gov/sites/documents/DOC_10760.PDF
VAWA Resources https://www.hud.gov/vawa

CHAPTER 2: FAIR HOUSING AND EQUAL OPPORTUNITY

2.1 OVERVIEW

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.

Federal laws and regulations prohibit state and local governments and recipients of HUD financial assistance from discriminating in housing programs and activities on the basis of race, color, religion, sex (including gender identity and sexual orientation), national origin, familial status, and disability. HABC must comply with all federal, state, and local nondiscrimination laws, rules, and regulations, including, but not limited to:

- Title VI of the Civil Rights Act of 1964, prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.

- Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination on the basis of race, color, religion, sex (including gender identity and sexual orientation), familial status, national origin, and disability in the sale, rental, and financing of dwellings, and in other housing-related transactions. It also requires that all federal programs relating to housing and urban development be administered in a manner that affirmatively furthers fair housing.

- Section 504 of the Rehabilitation Act of 1973 as amended (and corresponding federal regulations 24 CFR 8), prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

- The Age Discrimination Act of 1975 prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance.

- Title II of the Americans with Disabilities Act (to the extent that it applies and corresponding federal regulations at 24 CFR 35, otherwise Section 504 and the Fair Housing Amendments govern), prohibits discrimination based on disability in programs and activities provided or made available by public entities, including public housing and federally funded housing assistance.

- The Architectural Barriers Act of 1968, requires that buildings and facilities designed, constructed, altered, or leased with federal funds after September 1969 must be accessible to and useable by persons with disabilities.

- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012, and further clarified in Notice PIH 2014-20.

- Executive Orders

    - 11063 - Equal Opportunity in Housing, prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

    - 13166 - Improving Access to Services for Persons with Limited English Proficiency, requires each federal agency to take steps to ensure that eligible persons with limited English proficiency are provided meaningful access to all federally-assisted and federally conducted programs and activities.

- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted.

The definitions of the terms "individual with a disability," as defined by Civil Rights Laws and HUD are included as exhibits at the end of this chapter. See Section 2.10 **EXHIBIT 1: DEFINITIONS OF A PERSON WITH A DISABILITY**.

2.2 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.

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

- Deny any family or individual the equal opportunity to apply for or receive assistance under the Public Housing Program.

- Deny any family the opportunity to apply for housing or deny to any qualified applicant the opportunity to lease housing suitable to its needs.

- Subject a person to illegal segregation or disparate treatment.

- Restrict a person's access to any benefit enjoyed by others in connection with the housing program.

- Treat a person differently in determining eligibility or other requirements for admission; or

- Deny a 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 residents 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 pre-occupancy training session. In addition, fair housing information and discrimination complaint forms will be made available upon request by the asset managers at each of the sites/developments and by HABC's Fair Housing & Equal Opportunity Office.

HABC staff will be required to attend "HABC's Fair Housing and Disability Rights 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 local organizations to keep current with new developments.

Fair Housing posters are posted throughout the HABC offices, including in the lobby and interview rooms, in such a manner as to be 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 the HABC facilities are inaccessible to or unusable by persons with disabilities.

The HABC offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided through the Maryland Relay System.

2.3 DISCRIMINATION COMPLAINTS

Applicants or tenant families who wish to file a discrimination complaint against HABC may notify HABC's either orally or in writing.

HABC will retain a record of all complaints, investigations, notices, and corrective actions.

2.3.1 General Housing Discrimination Complaints

If an applicant or tenant family believes that any family member has been discriminated against by HABC or the privately managed/owned site, the family should advise HABC.

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify HABC's either orally or in writing.

HABC will investigate and attempt to remedy applicant, resident and/or participant discrimination complaints made against HABC. HABC will also advise the family of their right to file a fair housing complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). HABC will advise the family that they may file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.

2.3.2 Complaints under the Equal Access Rule

Applicants or tenant families who believe that they have been subject to unlawful discrimination based on marital status, gender identity, or sexual orientation under the Equal Access Rule may notify HABC either orally or in writing.

HABC will provide a written notice to those alleged to have violated the rule. HABC will also notify the complainant informing them that notice was sent to those alleged to have violated the

rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

HABC will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

2.3.3 VAWA Complaint Processing

HABC will advise the family of their right to file a VAWA complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). HABC will inform the family that not later than one year after an alleged VAWA violation has occurred or terminated, applicants and tenants who believe they have been injured by a VAWA violation or will be injured by such a violation that is about to occur may file a VAWA complaint using FHEO's online complaint form via mail, email, or telephone.

HABC will attempt to remedy complaints made against HABC and will investigate all allegations of discrimination.

2.4 MONITORING AND ENFORCEMENT OF HABC'S POLICY AND PROGRAMS

HABC's Office of Fair Housing 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 ACOP. The Office of Fair Housing is located at 417 E. Fayette Street, Baltimore, Maryland (410-396-3005).

2.5 REASONABLE ACCOMMODATIONS AND REASONABLE MODIFICATIONS

A "reasonable accommodation" is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces.

Written information regarding HABC's Reasonable Accommodation Policy and Procedure, including information regarding how to make a request for a reasonable accommodation/modification is available at HABC's Admissions Office, Public Housing Site Management Offices, HABC's Central Office, HABC's Office of Fair Housing, HABC's Housing Choice Voucher Program Office, and on HABC's website.

Some examples of previously requested reasonable accommodations/modifications include (but are not limited to):

- Add a disabled immediate family member to the household
- Additional bedroom
- Provide assistance with notices
- Provide documents in large print

- Live-in aide
- Service animals
- Transfer to non-UFAS unit on one level
- Transfer to a UFAS unit
- Increase utility allowance
- Bench for tub/shower
- Document/Information in an accessible format
- Doorbell, Auditory Amplified
- Emergency call switches
- Emergency strobe system
- A designee to receive and/or provide information on behalf of the person with a disability
- Grab bars for bathtub
- Grab bars for toilet
- Handrail in common areas
- Hand-held shower
- Lawncare
- Lever handle on entrance door
- Raised toilet seat
- Ramp access to a dwelling unit

2.5.1 Reexamination by Mail

As a reasonable accommodation, HABC will permit families with a disabled head of household (or spouse) to submit reexamination forms through the mail. The mail-in packet will include notice to the family of HABC's deadline for returning the completed forms to HABC.

The family may also choose to have the HABC conduct the re-certification by a home visit or to have the non-disabled adult family members come in for the appointment and then take the necessary forms home to the member with a disability for completion and signature.

2.5.2 Home Visits

When requested and where the need for reasonable accommodation has been established, HABC will conduct home visits to residents to conduct re-certifications.

Requests for home visit recertifications must be received by HABC at least five working days before the scheduled appointment date for the request to be considered.

2.5.3 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/or 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 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.

2.6 APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION

HABC and the privately owned/managed sites will respond, in writing, to all reasonable accommodation requests.

If an individual with a disability requires an accommodation or unit/structural modification, such as an accessible feature or change to HABC policies, HABC will provide such accommodation and/or modification, unless doing so would result in an undue financial and administrative burden to HABC or it would fundamentally alter the nature of HABC's programs. In such cases, HABC will offer to discuss whether there are alternatives to the requested accommodation/modification.

Any denial of a reasonable accommodation or recommendation for an alternative accommodation must be issued by HABC's Senior Vice President of the Office of Fair Housing or the Executive Director.[1]

In compliance with the Joint Statement of the Department of Housing and Urban Development and the Department of Justice regarding Reasonable Accommodations under the Fair Housing Act,

"A housing provider can deny a request for a reasonable accommodation if the request was not made by or on behalf of a person with a disability or if there is no disability related need for the accommodation. In addition, a request for a reasonable accommodation may be denied if providing

[1] See Supplemental Consent Decree entered in the case of Rickey D. Bailey, et al vs HABC, JFM-02-CV-225, JFM-04-CV-03107

the accommodation is not reasonable – i.e., if it would impose an undue financial and administrative burden on the housing provider or it would fundamentally alter the nature of the provider's operations.[2] To show that a requested accommodation/modification may be necessary, there must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability."

2.7 LANGUAGE INTERPRETATION, TRANSLATION OF DOCUMENTS

HABC uses contractors to:

- Provide language interpretation services over the telephone.
- Translate documents; and
- Provide American Sign Language interpretation.

Information about how to request these services is available to HABC staff on the Baltimore Housing intranet site. The Baltimore Housing intranet website also provides a link to documents translated by HUD.

2.7.1 Language Assistance

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

2.8 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
- Baltimore Housing 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.

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[2] See HUD/DOJ Joint Statement, Questions and Answers #7 (2004)

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, so that they may refer their clients to HABC for housing assistance.

2.9 VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING AND/OR HUMAN TRAFFICKING

The Violence against Women Act (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking who are applying for or receiving assistance under the public housing program.

Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

The purpose of this policy is to implement applicable provisions of the Violence Against Women Act and to set forth HABC's policies regarding domestic violence, dating violence, sexual assault, stalking, and human trafficking. Notwithstanding VAWA's title, this policy is gender neutral.

2.9.1 Definitions as Used in the Violence Against Women Act

The definitions applicable to the Violence Against Women Act (VAWA) are the following:

Domestic Violence: includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is:

- The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim
- A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner
- A person with whom the victim shares a child in common
- A person who commits acts against a youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction

Dating Violence: Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim and where the existence of such a relationship is determined based on the following factors: length of the relationship; type of relationship; and frequency of interaction between the persons involved in the relationship.

Sexual Assault: Any non-consensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking: Engaging in a course of conduct directed at a specific person causing a reasonable person to fear for his or her safety or the safety of others or suffer substantial emotional distress.

Affiliated Individual: With respect to an individual, as a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis, or an individual who has guardianship over another individual who is not a minor, or any individual, resident, or lawful occupant living in the household of that individual.

Bifurcate: The term *bifurcate* means, with respect to a public housing lease, to divide a lease as a matter of law such that certain residents can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Actual and Imminent Threat: 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, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

Human Trafficking: The Trafficking Victims Protection Act of 2000 and its subsequent reauthorizations recognize and define two primary forms of human trafficking:

- Sex trafficking is the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age. (22 U.S.C. § 7102(11)(A)).

- Forced labor is the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. (22 U.S.C. § 7102(11)(B)).

Economic Abuse: The term economic abuse means behavior that is coercive, deceptive, or unreasonably controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, and manipulation to:

- Restrict a person's access to money, assets, credit, or financial information

- Unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage

- Exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or to whom one has a fiduciary duty

Technological Abuse: The term technological abuse means an act or pattern of behavior that occurs withing domestic violence, dating violence, sexual assault, or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor another person, except as otherwise permitted by law, that occurs using any form of technology, including but not limited to:

- Internet enabled devices
- Online spaces and platforms
- Computers
- Mobile devices
- Cameras and imaging programs
- Apps
- Location tracking devices
- Communication technologies
- Any other emergency technologies

2.9.2 Confidentiality Requirements – VAWA

HABC and the privately owned/managed sites will keep confidential any information that the resident submits in connection with VAWA protections, including keeping confidential the location of a new dwelling unit, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, stalking or human trafficking against the resident. HABC and the privately owned/managed sites will not disclose or release or enter into any shared database any personally identifying information or individual information collected in connection with VAWA protections requested or denied except to the extent that the disclosure is:

- Requested or consented to by the individual in a time- limited release.
- Required for use in an eviction proceeding or hearing; or
- Otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HABC and the privately owned/managed sites will make reasonable attempts to provide notice to victims affected by the disclosure of information and will take steps necessary to protect the privacy and safety of the persons affected by the release of the information.

2.9.3 VAWA Self-Petitioners

HABC will review non-citizen applicant or resident requests for admission or continued occupancy as a result of being a self-petitioner under the VAWA.

A VAWA Self-Petitioner is a non-citizen applicant or resident who claims to be a victim of "battery or extreme cruelty," which includes domestic violence, dating violence, sexual assault, and stalking perpetrated by his or her spouse or parent, who is a citizen or lawful permanent resident.

A VAWA Self-Petitioner may indicate that he or she has satisfactory immigration status, though HABC has not yet verified that satisfactory immigration status. Satisfactory immigration status means an immigration status which does not make the individual ineligible for financial assistance. A VAWA Self-Petitioner may submit an I-360 VAWA Self Petition, an I-130 Family-Based VISA Petition, or a USCIS Form 1-797 to demonstrate a claim of satisfactory immigration status. When an I-360 VAWA Self Petition, an I-130 Family-Based VISA Petition, or a USCIS Form 1-797 is submitted, HABC may not request any additional information from the VAWA Self-Petitioner other than what is required to complete the verification. When a VAWA self-petitioner uses the Family Based VISA petition to satisfy immigration status, upon verification of the Family Based VISA petition, HABC will require the petitioner to submit evidence of battery or extreme cruelty.

Housing assistance and all other VAWA protections will be granted to the VAWA Self-Petitioner applicant or resident throughout the verification process until a final determination of lawful US permanent residency can be made.

If HABC later determines that the VAWA Self-Petitioner does not have eligible immigration status, HABC will notify the individual and take action to terminate assistance. HABC will also inform the individual of local agencies that provide domestic violence and immigration support services.

2.9.4 Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking & Human Trafficking

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking. VAWA does not limit HABC's authority to deny assistance to an individual or family that is not otherwise qualified or eligible for assistance.

2.9.5 Prohibition Against Termination of Assistance Related to Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking & Human Trafficking

Criminal activity directly relating to domestic violence, dating violence, sexual assault, stalking, or human trafficking, engaged in by a member of a resident's family or any guest or other person under the resident's control will not be the basis for termination of assistance, tenancy, or occupancy rights if the resident or an immediate member of the resident's household is the victim or threatened victim of such domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be construed either as serious or repeated violations of the lease by the victim or of such violence or threat of violence, or as good cause for terminating the tenancy or occupancy rights of the victim of such violence or threat.

Notwithstanding the foregoing, HABC and the privately owned/managed sites may exercise its authority to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a resident or lawful occupant and who engages in criminal acts of physical violence against household members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a resident or lawful occupant.

HABC and the privately owned/managed sites may exercise its discretion to bifurcate a Lease in order to evict, remove, or terminate assistance to residents or lawful occupants who perpetrate such violence against victims or affiliated individuals.

Further, HABC and the privately owned/managed sites retains its authority to terminate the tenancy of any resident if HABC and the privately owned/managed sites concludes that there is an actual and imminent threat to other residents or those employed at or providing service to the property if that resident is not evicted or terminated from assistance. VAWA does not limit HABC and the privately owned/managed site's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

HABC and the privately owned/managed sites may terminate assistance or evict a resident for any violation of the Lease ***not*** premised on the kinds of violence described above, if HABC and the privately owned/managed sites refrains from subjecting a victim of domestic violence, dating violence, sexual assault, stalking or human trafficking to a more demanding standard than applied to other residents facing Lease termination. VAWA does not limit HABC and the privately owned/managed site's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Notwithstanding the protections provided to residents under VAWA, HABC and the privately owned/managed sites will:

- Comply with court orders that address the rights of access to or control of property, including civil protection orders issued to protect victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking; and

- Comply with court orders that address the distribution or possession of property among members of a household.

In the event HABC and the privately owned/managed sites evicts, removes, or terminates assistance to an individual by bifurcating the Lease HABC and the privately owned/managed sites will refrain from penalizing the victim of such criminal activity who is a resident or lawful occupant. HABC and the privately owned/managed sites will also provide any remaining family members with at least 30 calendar days from the date of bifurcation of the lease or until expiration of the lease to establish eligibility for continued occupancy if the individual evicted as a result of the bifurcation of the Lease was the sole resident eligible for housing assistance. If a resident is

unable to establish eligibility, HABC and the privately owned/managed sites will provide resident a reasonable time, not to exceed 60 days, to find new housing.

HABC will maintain the confidentiality of the resident's new location in the event the resident receives an emergency transfer related to VAWA protections.

2.9.6 Notification to Applicants & Residents Regarding Protections Under VAWA

HABC and the privately owned/managed sites will provide notice to applicants and residents of protections provided under VAWA, in multiple languages, when necessary, at the following junctures:

- At the time the applicant is denied admission to the public housing program.
- At the time the individual is admitted to public housing program.
- With any notification of lease termination or notification of termination of assistance.

2.9.7 Victim Documentation

When a resident family is facing denial or termination of assistance or is requesting an emergency move because of the actions of a resident household member, or other person under the resident's control and a resident or immediate family member of the resident's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, sexual assault, stalking, or human trafficking, HABC and the privately owned/managed sites will require the individual to submit documentation affirming that claim.

HABC and the privately owned/managed sites will accept one of three methods for certification of a claim:

- A completed HUD VAWA Certification Form, which HABC and the privately owned/managed sites will make available to a resident family upon request and/or
- A Federal, State, tribal, territorial, 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, an attorney, a medical professional, or a mental health professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault, stalking or human trafficking, or the effects of abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, sexual assault, stalking or human trafficking has signed or attested to the documentation. The applicant or resident must sign the documentation provided.

The required certification and supporting documentation must be submitted to HABC and the privately owned/managed sites within 14 working days after HABC and the privately owned/managed sites issues a written request for the documentation. The 14-day deadline may be

extended at HABC and the privately owned/managed site's discretion. If the individual does not provide the required certification and supporting documentation within 14 working days, or the approved extension period, HABC and the privately owned/managed sites may proceed with termination of assistance.

If HABC and the privately owned/managed sites can demonstrate an actual and imminent threat to other residents or those employed at or providing service to the property, if the resident's tenancy is not terminated, HABC and the privately owned/managed sites will bypass the standard process and proceed with the immediate termination of the family's assistance.

2.9.8 Conflicting Documentation

In cases where HABC and the privately owned/managed sites receive conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, HABC and the privately owned/managed sites may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above. HABC and the privately owned/managed sites shall honor any court orders issued to protect the victim or to address the distribution of property.

2.9.9 Discretion to Require No Formal Documentation

HABC and the privately owned/managed sites have the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). If HABC and the privately owned/managed sites accept an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault, or stalking, HABC and the privately owned/managed sites will document acceptance of the statement or evidence in the individual's file.

2.9.10 Failure to Provide Documentation

To deny relief for protection under VAWA, HABC and the privately owned/managed sites will provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 working days from the date of receipt, or such longer time as HABC and the privately owned/managed sites may allow, HABC and the privately owned/managed sites may deny relief for protection under VAWA.

2.9.11 VAWA Record Retention

HABC and the privately owned/managed sites will retain a record of all VAWA emergency transfer requests and outcomes for a period not less than three years. HABC and the privately owned/managed sites will follow HUD reporting requirements regarding VAWA emergency transfer requests and outcomes.

2.10 EXHIBIT 1: DEFINITIONS OF A PERSON WITH A DISABILITY

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

Definition of a Person with a Disability Under Federal Civil Rights Laws

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment.

The phrase "physical or mental impairment" includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction, and alcoholism.

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

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

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

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others

- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

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

HUD Definition Of A Person With A Disability

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

Federal nondiscrimination laws define a person with a disability to include any (1) individual with a physical or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment.

CHAPTER 3: APPLICATION & WAITING LIST

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 a preliminary application (pre-application) for assistance and for placement and denial of placement on the waiting lists. HABC centrally manages the waiting lists for conventional public housing developments, scattered site properties, RAD properties, properties with LTA units, and properties with public housing units that are in privately owned/managed properties.

3.2 WHO MAY APPLY

To apply for housing, an applicant must be an adult who is at least 18 years of age or an emancipated minor.

3.3 APPLYING FOR HOUSING ASSISTANCE

HABC's Admissions and Leasing Office maintains and administers HABC waiting lists for: (a) properties that it owns and manages; (b) properties that have been converted under the Rental Assistance Demonstration (RAD); (c) properties with the Long Term Affordable (LTA) units; and (d) properties with privately owned and/or managed public housing units.

When the waiting list is open, applicants must complete a preliminary application (pre-application) through HABC's on-line applicant portal. The on-line portal may be accessed via computer, smart phone, tablet or at kiosks located at HABC's Admissions and Leasing Office and at various other HABC properties.

Pre-applications will be made available in an accessible format upon request from a person with a disability. Persons with disabilities may call HABC if they need a reasonable accommodation to complete the pre-application through the on-line portal.

3.4 PRELIMINARY APPLICATION (PRE-APPLICATION) TO PH & PLACEMENT ON WAITING LIST

The purpose of the pre-application is to collect information needed to place applicants on the appropriate waiting lists based on developments selected by applicants. Interviews are not conducted as part of the pre-application process. If an applicant does not select specific developments, HABC will place the applicant on the centrally administered First Available Waiting List.

Upon submission of the completed pre-application and development selection form, where applicable, applicants will be placed on the applicable waiting list. Appendix D contains a listing of properties and the applicable waiting lists which are used to fill vacant units.

An applicant will be placed on the waiting list if the pre-application includes:

- Name of the head of household and all household members.
- Dates of birth of the head of household and all household members.
- Social Security number for head of household, where applicable. Social Security numbers of the other household members will be requested during the eligibility screening).;
- Mailing address.
- Annual income for the household.
- Race and ethnicity of the head of household.
- Acknowledgement by the head of household of the accuracy of the information provided; and
- Locations of sites where applicant would accept a unit or determination to be placed on the 1st available waiting list, where applicable.

Applicants may not be on both the centrally administered First Available Waiting List (CAFAWL) and a Centrally Administered Location Based Waiting List (CALBWL).

HABC will not pre-screen pre-applications. Information on the application will not be verified until the applicant has been selected for the eligibility determination. Eligibility will be determined when the full application process is completed, and all information is verified.

The waiting list for Thompson PCD and Remedial Vouchers is maintained by BRHP and is separate from any other HABC waiting list. Application for, receipt of, or termination of a Thompson Voucher will not affect a family's standing on any other HABC waiting list.

3.4.1 Waiting List Placement when the Waiting List is Open for an Indefinite Period

When the waiting list is open for an indefinite period of time, applicants will be ordered on the waiting list according to the date and time of application, preference and size and type of the unit needed. Applicants will be notified on placement on the waiting list.

3.4.2 Waiting List Placement when the Waiting List is Open for a Finite Period

When the waiting list is open for a finite period of time, HABC will use a computerized random sequence, preference and size and type of unit needed to determine order on the waiting list. Applicants will be notified of their placement on the waiting list.

3.5 INFORMATION CONTAINED ON THE WAITING LIST

HABC will organize the waiting list to allow for the accurate identification and selection of applicants in proper order, according to the admissions policies described in this ACOP.

The waiting list will contain the following information for each applicant listed:

- Name and social security number of head of household.
- Apartment size required (as determined by the occupancy standards for the applicant's family composition).
- Gross household income.
- Accessibility requirement, if any.
- Date and time of application and/or application number.
- Household type (family, elderly, disabled);
- Admission preference, if any.
- Race and ethnicity of the head of household; and
- The specific development(s) selected, if applicable.

3.6 TYPES OF WAITING LISTS

Centrally Administered Mixed Population Bailey Waiting List: CAMPBWL
Centrally Administered Location Based Waiting List: CALBWL
Centrally Administered First Available Waiting List: CAFAWL

HABC centrally administers the waiting lists for:

- Conventional public housing
- Scattered sites: CALBWL and CAFAWL
- Non-Elderly, Non-Disabled RAD properties
- Referral Program (Special Programs): Applicants are referred directly to HABC under Special Programs or Allocations
- Mixed population properties and certain other units covered by the Bailey Supplemental Consent Decree (Bailey), including Elderly/Disabled RAD properties;
- Properties with LTA units;
- Properties with public housing units that are in privately owned/managed properties

For ease of distinction in this ACOP, the centrally managed waiting lists will be referred as outlined below. See policies on **UNIT OFFERS, UNIT REFUSAL, GOOD CAUSE FOR UNIT REFUSAL.**

- Centrally Administered Location Based Waiting List: CALBWL
    - This waiting list covers units at:
        - Conventional public housing developments
        - Scattered sites
        - Non-Elderly, Non-Disabled RAD properties
        - Properties with LTA units which are not designated as NED or UFAS
        - Properties with public housing units that are in privately owned/managed properties, and which are not designated as NED or UFAS units.
    - Where Referral Program (Special Programs) are concerned, applicants are referred directly to HABC under Special Programs or Allocations and are offered units covered under the CALBWL.
    - Families may select up to 3 developments on the CALBWL.
    - When selecting only developments covered under the CALBWL, families offered a unit at one of the CALBWL selected developments, will be removed from all of the waiting lists covered under the CALBWL if the offer is refused without good cause.
- Centrally Administered Mixed Population Bailey Waiting List: CAMPBWL

Families meeting the eligibility requirements for the CAMPBWL may select to be listed on the CAMPBWL and may select up to two developments on the CALBWL.

- This waiting list includes the units at:
    - Mixed population developments and other units covered under Bailey
    - Properties with LTA units which are designated as NED or UFAS units
    - RAD properties with elderly/disabled designations
    - Properties with public housing units that are in privately owned/managed properties, and which are designated as NED or UFAS units.
- Families on this waiting list may receive up to three unit offers and if they refuse all three offers without good cause, they will be removed from all centrally managed waiting lists. Families cannot select specific developments covered under CAMPBWL.

- Centrally Administered First Available Waiting List: CAFAWL

    - This waiting list includes all units/developments not covered under the Centrally Administered Mixed Population & Other Units Covered under Bailey (CAMPBWL).

    - Families selecting the CAFAWL may not select any other waiting list option.

    - Families who select the CAFAWL are listed on all the development waiting lists for which they are eligible, including those developments covered under the CALBWL and CAMPBWL.

    - Families offered a unit will be removed from the waiting list if the offer is refused without good cause.

Families may select from the list of waiting list options below; however only families meeting the eligibility requirements for the CAMPBWL may select to be listed on the CAMPBWL. Additionally, families meeting the eligibility requirements for the CAMPBWL may select to be listed on the CAMPBWL and may select up to two developments on the CALBWL.

- CAFAWL only; or

- CALBWL: Up to three developments covered under the CALBWL.

- CALBWL and CAMPBWL: Up to two developments covered under CALBWL and selecting to be listed on the CAMPBWL. For example, an elderly family or a non-elderly person with a disability may choose to be on the list for the developments covered by the CAMPBWL and may also choose to be listed on the CALBWL for two family developments such as Brooklyn Homes and Cherry Hills Homes, etc.; or

- CAMPBWL only, for three offers for developments covered by this waiting list.

All waiting lists will be maintained and operated in a manner that is consistent with applicable civil rights and fair housing laws and regulations.

3.7 ADMINISTRATION OF THE WAITING LIST

HABC plans to fully transition its Public Housing waiting list to a Centrally-Administered Location-Based Waiting List (CALBWL) and Centrally Administered First Available Waiting List (CAFAWL) system per the policies in this ACOP.

While HABC's software is not yet updated to reflect the CALBWL and CAFAWL at the point of application, HABC will employ a modified approach to its administration of its CALBWL and CAFAWL. HABC will continue to select applicants from its conventional public housing waiting list based on preference, date and time of application, and unit size. At the time of the HABC eligibility screening, applicants will choose up to three developments where they would like to live from within HABC's general family, scattered sites, Non-Elderly, Non-Disabled RAD properties, and LTA units which are not designated as Elderly or Disabled. Based on their

selections, HABC will place the applicant on the waiting list(s) ready pool for their chosen development(s). An applicant also has the option to choose the first-available waiting list if they have no preference for location. Applicants who choose the first available option will be placed on the waiting lists ready pools for all developments where they are eligible according to their unit size and unit features. This does not impact the policies related to the CAMPBWL.

HABC's waiting list will be administered in such manner to allow HABC to accurately identify and select families in the proper order, according to admission policies described in this ACOP. The waiting list will contain information required by federal regulations, as may be amended. Information provided to applicants in choosing waiting list options will include but not limited to:

- Location
- Number and size of different units
- Occupancy
- Accessible units
- Estimate of the period the applicant would likely have to wait to be admitted at each site

HABC will post on its website and make available, on request, information sheets for each development which will include but not be limited to:

- Location
- Number and size of different units
- Occupancy
- Accessible units
- Amenities
- Information on transportation, schools, and services in the surrounding area

HABC will manage it waiting lists in a manner that is consistent with HABC's activities to affirmatively further fair housing, such as marketing to groups least likely to apply for public housing. In addition, HABC will have a system for regular review of the results of the location-based waiting list operation to examine any changes in the racial and/or ethnic makeup and changes in disability and familial status of each site through the steps described below:

- As part of the annual MTW Plan preparation, HABC will assess any changes in the racial and ethnic make-up and changes in disability and familial status of each site based on data that has been determined to be accurate by HABC's Independent Public Accountant.
- At least every three years HABC will use independent testers or other means satisfactory to HUD, to assure that location-based waiting lists are not being implemented in a

discriminatory manner, and that no patterns or practices of discrimination exist, and providing the results to HUD. HABC evaluations will cover disability and familial status as well as race and ethnicity; and

- HABC will make changes in its location-based waiting list system, as needed, based on the data and methods above to affirmatively further fair housing.

3.8 CLOSING THE WAITING LISTS

Generally, HABC will close the waiting list in whole or in part if there are enough applicants to fill anticipated openings for the next five years. The waiting list may not be closed if doing so would have a discriminatory impact inconsistent with applicable civil rights and fair housing laws and regulations.

Closing of the waiting list will be announced on the Baltimore Housing website and in newspapers of general circulation, minority publications, and other suitable media outlets. HABC will give at least 30 days' notice to the public prior to closing the list.

3.9 OPENING THE WAITING LIST

When HABC opens the waiting list, HABC will provide notice of the opening on the Baltimore Housing website and in newspapers of general circulation, minority publications and other suitable media outlets. The notice will be made in an accessible format if requested.

To reach persons with disabilities, HABC may provide separate notice to local organizations representing the interests and needs of persons with disabilities.

The waiting list shall be open for the period needed to cover projected turnover for the next five years.

When a PH development opens, that is part of an existing Location Based Waiting List; HABC will use the existing waiting list to select applicants.

When a new PH development opens which is not part of an existing CALBWL, HABC will use the CAFAWL to select applicants for this development. When a determination is made to open a Waiting List for this development, HABC will provide notice of the opening consistent with the policies in this ACOP. Existing applicants who would be eligible for housing at the new development will be allowed to change their site selection and choose the new site; however, the date and time of application for the new site will reflect the date and time the change was requested. Applicants on the CAFAWL may also convert to a CALBWL and choose the new development; however, their date and time of application will be updated to reflect the date and time the change was requested. Retention of date and time of application when changes are made is subject to the policy on **REPORTING CHANGES WHILE ON THE WAITING LIST.**

3.10 UPDATING & PURGING THE WAITING LIST

Applicants are responsible for updating their application to reflect changes as needed to ensure that all applicants and applicant information is current. HABC will send an update request via first

class mail to applicants identified for update of their application information. For example, HABC may send an update request to applicants who may be called for an eligibility interview in the next 12 months. The update request will be sent to the last address that HABC has on record for the family. If the update request is returned to HABC with a forwarding address, HABC will resend the update request to the new address. If the update request is returned with no forwarding address or if the update request is not returned within the required time frame, HABC will suspend the application for six (6) months from the waiting list update request due date. If during that six-month period, the applicant contacts HABC, HABC will reinstate the applicant on the waiting list with his/her date and time of application. Additionally, where additional contact information (phone, e-mail, emergency contact) is available, HABC will attempt to contact the family using the family's alternate contact information during the six-month suspension period. If after the six-month suspension period ends, and the applicant has not contacted HABC or responded to HABC update efforts, HABC will withdraw the applicant's name from the waiting list.

When an applicant is removed from the waiting list during the update process for failure to respond to an update request, no informal hearing will be offered. The applicant's failure to respond prevents HABC from making an eligibility determination; therefore, no informal hearing 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.

3.11 REMOVAL FROM THE WAITING LIST

HABC will follow applicable regulatory requirements for notice of removal. Applicant's names will be removed from all PH Waiting Lists as a result of any of the following.

- Being housed in a PH/RAD unit.
- Being withdrawn.
- Being determined ineligible by HABC.
- Refusal—an applicant refused the threshold number of offers of housing without Good Cause; and
- Upon written request by the applicant family. In such cases no informal hearing is required.

For the two policies below, rejection assumes that the cause is not related to an actionable unit which would result in rejection at any development, i.e., lifetime sex offender registration requirement.

HABC will remove an applicant's name from a development's CALBWL when an owner/management agent rejects an applicant from a specific development. The applicant will retain placement on all other CALBWLs even if managed by the same owner/management agent. HABC will allow the applicant to select a new CALBWL and retain his/her date and time of

application.

Where an owner/management agent rejects an applicant from a development covered by the CAFAWL or CAMPBWL, HABC will retain the applicant's placement on the CAFAWL and CAMPBWL; however, the applicant will no longer be offered units at the development where they were rejected.

3.12 FAMILY OUTREACH

HABC will monitor the characteristics of the population being served and the characteristics of the population in HABC's jurisdiction. Targeted outreach efforts will be undertaken in accordance with HABC deconcentrating activities and Annual Plan.

3.13 REPORTING CHANGES WHILE ON THE WAITING LIST

While a family is on a waiting list, the family must inform HABC of changes in family composition, preference status, site selections, and contact information. The changes must be submitted on the portal in person to HABC, via US Mail or fax. Changes in the family's circumstances while on a waiting list may affect the family's qualification for a particular bedroom size or preference and/or estimated wait time.

3.13.1 Changes in Family Composition

If a family reports a change in family composition while on the waiting list, the family will retain its date and time of application, but the family's position on the waiting list will be updated to reflect the updated information/selection. For example, a family qualifies for a two-bedroom unit and selects three developments with two-bedroom units. After six months on the waiting list, another family member moves in with the family, and now the family qualifies for a three-bedroom unit. If the family reports this change to HABC and any of the sites they originally selected do not have three-bedroom units, the family will be able to select new sites that can accommodate the family's new family size and retain its original application date and time.

If the proposed Head of Household of an applicant family dies before a unit offer is made, an adult family member, listed in the current application, may be instated as Head of Household.

3.13.2 Changes in Site Selection

A family may change its CALBWL site selections while on the waiting list; however, the family's date and time of application will be updated to reflect the date and time of the change in site selections. For example, if a family only selects two CALBWLs and later decides to add a third CALBWL, the date and time of application for the third CALBWL will reflect the date and time of the request. The date and time for the two original locations will remain unchanged. Conversely, if an applicant selects three CALBWLs and later requests to be removed from two of the CALBWLs, the applicant will retain his/her date and time of application for the one remaining CALBWL.

If an applicant on the waiting list ages in place and is now elderly or if an applicant becomes disabled while on the waiting list, HABC will allow the applicant to change a CALBWL selection

or choose the CAMPBWL, as applicable, and retain their date and time of application for the new selections.

A family may only select sites which have the appropriate unit size for the family's size and for which they are eligible based on family composition. For example, a family who qualifies for a one-bedroom unit may not select a site with only three-bedroom units. Additionally, developments which are elderly only developments may only be selected by households whose head, co-head or spouse is elderly.

3.13.3 Changes in Preference

When a family reports a change in preference status while on the waiting list, HABC will update the preference but retain the date and time of application. The family's position on the waiting list will reflect the change in preference status. Families will be required to provide verification of any claimed preference at the time of screening.

3.13.4 Changes in Type of Waiting List

While on the waiting list, a family may move from CALBWLs to CAFAWL. If a family switches from CALBWL to CAFAWL or from CAFAWL to CALBWL, the family's date and time of application will be updated to reflect the date and time of the change in waiting list.

3.14 SPLIT HOUSEHOLDS WHILE ON THE WAITING LIST

When a family on the waiting list(s) split up into two otherwise eligible families, only one of the new families may retain the original pre-application date. Other former family members may submit a new pre- application with a new pre-application date if the waiting list(s) is open.

In the absence of a judicial decision or an agreement among the original family members, the original head of household will retain the pre-application date. The head of household may allow another adult household member on the application to retain the original pre-application date.

Except under the following conditions, HABC has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, stalking, or human trafficking, HABC will ensure that the victim retains assistance.

- If a court determines the disposition of property between members of the assisted family, HABC is bound by the court's determination of which family members continue to receive assistance.

Exceptions to the policy will be made on a case-by-case basis and may include consideration of the following factors:

- The interest of any minor children, including custody arrangements.
- The interest of any ill, elderly, or family member with a disability.
- The interest of a family member who is the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking including a family member who was forced to leave an assisted unit because of such actual or threatened abuse.
- Any possible risks to family members because of domestic violence, dating violence, stalking, sexual assault, or criminal activity; and
- The recommendations of social service professionals.

3.15 MULTIPLE FAMILIES IN SAME HOUSEHOLD

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

CHAPTER 4: ELIGIBILITY FOR ADMISSION

4.1 INTRODUCTION

This Chapter defines HABC's 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 qualifications of applicants. HABC staff 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.

The second phase of the admissions process is the "determination of eligibility." At this time, HABC verifies that the information provided to HABC by the applicant is current and determines if the applicant is eligible to live in public housing, RAD properties, and properties with LTA units.

With the exception of the units that meet the Uniform Federal Accessibility Standards ("UFAS"), HABC does not determine eligibility of applicants for Albemarle Square, Broadway Overlook, and Homes for Arundel because each of these sites maintains a site-based waiting list. HABC does refer residents and applicants to Albemarle Square, Broadway Overlook, and Homes for Arundel to occupy their UFAS Accessible Units.

Pursuant to the Thompson Consent Decree, HABC created 22 public housing units (Thompson 22 Units) in neighborhoods within Baltimore City. HABC's Admissions and Leasing Office is responsible for screening the families for the Thompson 22 Units in accordance with the criteria outlined in this chapter. The Baltimore Regional Housing Partnership (BRHP) is under contract with HABC to counsel and prepare the families prior to them moving into the units.

The RAD properties and the properties with LTA units conduct additional screening for eligibility pursuant to the LTA Criteria. In addition, other privately owned and managed sites conduct additional screening pursuant to their tenant selection and assignment plans.

4.2 DEFINITIONS

4.2.1 Family

To be eligible for admission, an 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 regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A single person, who may be:
    - An elderly person, displaced person, disabled person, near-elderly person, or any other single person;

- An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or

- A group of persons residing together, and such group includes, but is not limited to:
  - A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - An elderly family;
  - A near-elderly family;
  - A disabled family;
  - A displaced family; and
  - The remaining member of a tenant family.

4.2.2 Household

Household is a broader term that includes additional people who, with HABC's permission, live in a public housing unit, such as live-in aides, foster children, and foster adults.

4.2.3 Elderly Persons

An Elderly Person is a person who is at least 62 years of age.

4.2.4 Near-Elderly Persons

A Near-Elderly person is a person who is 50-61 years of age.

4.2.5 Elderly Family

An *elderly family* is one in which the head, spouse, co-head, or sole member is an elderly person. Identifying elderly families is important because these families qualify for the elderly family allowance and the medical allowance as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

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 the medical allowance described in Chapter 8 and may qualify for a senior only development, an HABC mixed population development or a RAD mixed population development.

4.2.6 Non-elderly Person with a Disability Family

A non-elderly person with a disability family is a family whose sole member, head of household,

or head of household's spouse is a person with a disability who is under the age of sixty-two (62), and who is eligible for a one-bedroom public housing unit or for a two-bedroom public housing unit because a second bedroom is needed for disability related reasons. A non-elderly person with a disability may qualify for LTA units designated for non-elderly persons with disabilities, an HABC mixed population development or a RAD mixed population development.

4.2.7 Head of Household

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

Emancipated minors who qualify under State law will be recognized as head of household if there is a court 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 18 who is married or serving in the military.

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

4.2.8 Spouse of Head of Household

Spouse means the marriage partner of the Head of Household.

For proper application of the Noncitizens 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.

4.2.9 Co-head

An individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not spouse. A household may have either a spouse or co-head, but not both. A co-head never qualifies as a dependent.

4.2.10 Adult/Other Adult

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

4.2.11 Other Definitions

Definitions for the following can be found in the glossary:

- Dependent

- Full Time Student

4.3 FOSTER CHILDREN AND FOSTER ADULTS

A foster adult is a member of the household who is 18 years of age or older and meets the definition of a foster adult under State law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

A foster child is a member of the household who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (*e.g.,* public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.

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

4.4 LIVE-IN AIDE

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

- Is 18 years of age or older.
- Is essential to the care and well-being of an elderly person or a person with disabilities 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
- Can demonstrate current residency in good standing by providing a landlord reference.

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 resident family.

Relatives are not automatically excluded from being live-in aides.

Residents 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 public housing waiting list.

HABC will not allow household members currently listed on the lease to become the live-in aide.

Residents may not remove household members from the household only to add the same household member back as a live-in aide.

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 certifying that a live-in aide is needed for the care of the family member who is elderly or a person with a disability. Additionally, HABC will re-verify the need for the live-in aide at each regular reexamination.

If HABC does not approve the addition of a live-in aide, HABC will notify the family, in writing, and provide the family with an opportunity to request a grievance hearing. If an existing live-in aide is no longer for occupancy in the assisted unit, the live-in aide must vacate the unit within thirty days of the disapproval notice from HABC.

After HABC approves the addition of a live-in aide on behalf of an applicant or a resident, the applicant or resident 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 pass HABC's screening eligibility criteria, including EIV prior debt and adverse termination screening. HABC has the right to disapprove the person identified to be the live-in aide based on the "Other Eligibility Criteria" described in this Chapter, as applicable.

Because a live-in aide is an individual who resides in a unit to assist a person who is elderly or has a disability, and is not considered to be a household member, it is HABC's policy that no more than one individual at a time may serve as the live-in aide and reside in the resident's unit. HABC is not obligated to house the family members of live-in aides.

If the live-in aide or a live-in aide's guest violates a lease provision or participates in drug-related or criminal activity, HABC will rescind the live-in aide's right to occupy the unit. When HABC rescinds the live-in aide's right to occupy the unit, the live-in aide is not entitled to the grievance hearing process of the agency.

4.5 JOINT CUSTODY OF DEPENDENTS

Dependents who are subject to a joint custody arrangement will be considered a member of the family if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or resident (regardless of program) are claiming the same dependents as family members, the family with primary physical custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family will be allowed to claim the dependents, HABC will make the determination based on available documents such as court orders and IRS income tax returns showing which family has claimed the child for income tax purposes, school records, and/or other credible documentation.

HABC may make an exception to the Occupancy Standard policy set forth in this ACOP and allow two assisted households space for the same dependent children where there is joint physical and

legal custody; however, HABC will only allow one household to claim the dependent deduction. Exceptions to the Occupancy Standard policy for these instances will be reviewed on a case-by-case basis.

4.6 REQUIREMENT TO COMPLETE SCREENING

HABC may conduct screening via in-person interviews or on-line. HABC will verify applicant information, conduct eligibility and suitability screening, and then make a decision about the applicant's eligibility for assistance. Screening will be carried out in accordance with the policies in this ACOP.

Applicants will be sent an eligibility screening letter when they reach the top of the waiting list. The letter will include an interview date or instructions on how to conduct on-line screening and will include the documents the applicant is required to provide and the factors to be verified. HABC utilizes the application screening process to review the family's circumstances in greater detail, to clarify information that has been provided by the family, and to ensure that the information is complete. Screening is also used as a vehicle to provide to the family information about the application process, verification process, and other HABC services or programs, which may be available.

Where an interview is conducted, all adult household members are required to attend. If a family misses two scheduled interviews, without good cause, HABC will withdraw the family from the waiting list.

If an elderly or disabled family misses the second scheduled interview, HABC will attempt to contact the head of household by phone and schedule a third interview. If HABC is still unable to reach the applicant, HABC will withdraw the family from the waiting list.

Where on-line screening is conducted, if a family misses two completion deadlines, without good cause, HABC will withdraw the family from the waiting list.

If a family is withdrawn from the waiting list and then responds to HABC within 90 calendar days from the date of withdrawal, HABC will reinstate the family to the waiting list.

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 provide information on behalf of the applicant, but only with permission of the person with a disability.

If an application is withdrawn due to failure to complete the required screening process, the applicant will be notified in writing that the application has been withdrawn from the waiting list and that they may re-apply for housing assistance if the waiting list is open. The applicant will also be offered an opportunity to request an informal hearing.

Information provided by the applicant will be verified, including information related to preferences, family composition, income, allowances and deductions, assets, eligible immigration status, full-time student status, and other factors related to eligibility and rent calculation.

If HABC determines, at or after the screening interview or on-line screening, that additional information or document(s) are needed, HABC will request the document(s) or information in writing. The applicant will be given 5 working days to supply the information. If the information is not supplied in this time, HABC will provide the applicant a notification of denial for assistance. The applicant will also be offered an opportunity to request an informal hearing. (See **CHAPTER 17: INFORMAL HEARINGS FOR APPLICANTS**)

4.7 CONSENT FORMS

The head of household and spouse, regardless of age, and all adult members must sign the~~:~~ MTW Release of Information form, the declarations and consents related to citizenship/immigration status and any other documents required by HABC. Applicants will be required to sign specific verification and/or consent forms for information that is not covered by the MTW Release of Information form. Failure to sign the Release of Information form or revocation of consent will result in denial of assistance or termination.

Failure to sign required documents will be cause for withdrawal of the application for failure to provide necessary certifications and releases as required by HABC.

4.8 COMPLETION OF A FULL APPLICATION

The full application for housing 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 process and screen applicants for eligibility and suitability.

4.9 VERIFYING FACTORS FOR ELIGIBILITY

Upon completion of the application interview, the following items will be verified to determine eligibility for admission to HABC's housing:

- Local preference
- Legal identity
- Family composition and type (elderly/nonelderly person with a disability/family)
    - See **PARENT-CHILD RELATIONSHIP, LEGAL CUSTODY/GUARDIANSHIP** in the chapter on Verification.
- Annual income (including assets and asset income)
- Deductions from annual income
- Social Security numbers for all family members

- Information used in applicant screening
- Citizenship or eligible immigration status
- Criminal history report
- Credit history
- Prior debt to a federally and/or state assisted housing program
- Prior tenancy in federally assisted housing
- Landlord references

The household is not eligible for a unit offer until a final eligibility determination has been made and an appropriate vacant unit is available.

4.10 QUALIFICATION FOR ADMISSION

An applicant is qualified if he or she meets the following criteria:

- Is a family as defined in this Chapter;
- Heads a household where at least one member of the household is either a citizen or eligible non-citizen.
- Has an annual income at the time of admission at or below defined income limits?
- Provides a Social Security number for all family members as required.
- Consents to HABC's collection and use of family information as provided for in HABC consent forms.
- Meets the resident Selection and Suitability Criteria as set forth in this policy including the criminal background screening, debt screening, suitability screening, and the attendance and successful completion of the HABC's pre-occupancy class.

4.11 DESIGNATED HOUSING

HABC has units that are designated for occupancy by elderly persons and other units that are designated for non-elderly persons with a disability. Designated units reserved for elderly persons and/or for non-elderly persons with a disability shall only be occupied by applicants who meet the criteria for the designated units.

4.12 ELIGIBILITY AND SCREENING CRITERIA

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 denial of admissions.

4.12.1 Legal Identity – Photo ID

To ensure HABC is able to identify all persons 18 years of age or older (not just the head of household), all adult household members will be required to provide a current, government issued identification at admission, upon addition to the household or upon turning 18. For example, if a household member turns 18 between regular reexaminations, he or she must provide a government issued photo identification at the household's next regular reexamination.

HABC reserves the right to request an updated photo ID after admission to the program to confirm legal identity.

As an accommodation for individuals with disabilities and elderly individuals, as well as for individuals with religious considerations, with prior HABC approval, HABC may accept other forms of identification to establish identity.

4.12.2 Verification of Age

To ensure that HABC can verify the age of all household members, HABC will require documentation to verify the age of each household member. See **DOCUMENTATION OF AGE** in the chapter on Verification.

4.12.3 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-ordered to reflect the revision to the preference status.

4.12.4 Legal Capacity of the Head of Household

The head of household must have the legal capacity to enter into a lease under state and local law. HABC does not permit a parent or legal guardian to co-sign the lease on the applicant's behalf if the head of household is under 18 and, under State/local law, does not have the legal capacity to enter a legally binding contract. A minor who is emancipated under state law may be designated the head of household.

4.12.5 Income Limits for Eligibility

To be income eligible, the annual income of an applicant family must meet one of the following:

- *Low-income family.* A family whose annual income does not exceed 80 percent of area median income (AMI), adjusted for family size.

- *Very low-income family.* A family whose annual income does not exceed 50 percent of AMI, adjusted for family size.

- *Extremely low-income family.* A family whose annual income does not exceed the higher of the federal poverty level or 30 percent of AMI.

Income of family members is considered for income eligibility; however, income and net family assets of **Non-Family** members is **NOT** considered for income eligibility.

4.12.6 Mandatory Social Security Numbers

The applicant and all members of the applicant's household must provide the complete and accurate Social Security number assigned to each household member, and the documentation necessary to verify each Social Security number. See policies on verification of **SOCIAL SECURITY NUMBERS**.

These requirements do not apply to noncitizens who do not contend they have eligible immigration status.

Those applicants who cannot provide verification of Social Security numbers at the time of screening will be given 90 calendar days to provide verification of their Social Security number. If Social Security number verification is not provided within the required time frame, HABC will deny assistance to the applicant.

An applicant family may become a program participant, even if the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of 6 years. HABC will allow the family a 90-day period to verify the SSN of the family member under the age of 6 years. An extension of one additional 90-day period must be granted if HABC determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant.

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 termination of tenancy.

The SSN requirement also applies to persons joining the family after admission to the program. Failure to furnish verification of social security numbers is grounds for termination of tenancy.

Individuals exempt from providing a Social Security number are:

- Individuals who do not have eligible immigration status; and

- Residents of age 62 and older as of January 31, 2012, whose initial determination of eligibility was begun before January 31, 2010.

Residents who have previously disclosed a valid Social Security number during a reexamination 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.

4.12.7 Citizenship/Eligible Immigration Status

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 six immigrant categories as specified by HUD.

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

See **CHAPTER 7: VERIFICATION** for policies related to verification of citizenship and eligible immigration status.

4.12.8 Mixed Families

A mixed family means a family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status. If one family member is either a citizen or an eligible immigrant, the family will qualify as a mixed family and will have its housing assistance pro-rated (which means that such family will pay a higher rent than the family would if all family members were either citizens or eligible immigrants).

4.12.9 No Eligible Members

Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing. **(See CHAPTER 17: INFORMAL HEARINGS: NON-CITIZENS).**

4.12.10 Non-citizen Students

Non-citizen students, as defined by HUD in the regulations, are not eligible for assistance. HABC will establish and verify that an applicant is a non-citizen student before denying eligibility. See regulations at 24 CFR 5.522.

4.12.11 Occupancy by Police Officers

To provide an increased sense of security for public housing residents, HABC may allow public housing units to be occupied by police officers.

Police officers will not be required to be income eligible to qualify for admission to HABC's public housing program.

4.13 OTHER ELIGIBILITY CRITERIA

All applicants will be processed in accordance with The MTW Agreement and sound management

practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

Applicants will be required to present a valid photo identification card (such as a driver's license, state issued ID, student ID, etc.) for verification.

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

- Pay rent and other charges as required by the lease in a timely manner.
- Care for and avoid damaging the unit and common areas.
- Use facilities, appliances, and equipment in a reasonable way.
- Create no health or safety hazards.
- Report maintenance needs in a timely manner.
- Not interfere with the rights and peaceful enjoyment of others.
- Avoid damaging the property of others.
- Not engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff.
- Not engage in drug-related criminal activity on or off the HABC premises.
- Not have ever been convicted of manufacturing or producing methamphetamine, also known as "speed," on the premises of federally assisted housing.
- Not contain a household member subject to lifetime sex offender registration requirement under a state sex offender registration program.
- Comply with necessary and reasonable rules and program requirements of HUD and HABC; and
- Comply with local health and safety codes.

4.14 ADMINISTRATION OF SCREENING

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, marital status, disability, sexual orientation, or gender identity, and not to violate a right to privacy.

4.15 DEFINITIONS RELATED TO SCREENING

- "Currently engaging in or engaged in drug-related 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.

    - Evidence of a history or pattern of illegal substance abuse that the individual has, within the past three years, engaged in to justify a reasonable belief that the individual's behavior is current.

- "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 indicating an intent to assault employees or other residents.

- "Controlled substance" and "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 *on or off the* premises, *not just on or near the* premises.

- "Covered person" means a resident, any member of the resident's household, a guest, or another person under the resident's control.

- "Guest," for purposes of this Chapter, means a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

- "Household" means the resident family and HABC-approved live-in aide.

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

- "Other Person under the Resident's Control," means that the person, although not staying as a guest (as defined above) in the unit is or was at the time of the activity in question, on the premises (as defined in this section) because of an invitation from the resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

- "Premises" means the building or complex or development in which the public housing dwelling unit is located, including common areas and grounds.

- "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.

4.16 ENTERPRISE INCOME VERIFICATION (EIV) SCREENING

HABC will conduct EIV screening for new applicants. An EIV existing tenant search will be conducted on minor and adult members to identify applicants who may be receiving federal rental assistance. If the EIV existing tenant search reveals that an applicant may be receiving another federal housing program subsidy, HABC will give the applicant the 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 enter into a lease with an applicant until confirmation is obtained that there will be no duplicate rental assistance.

All adult household members must sign the form HUD-52675, Debts Owed to Public Housing and Terminations. Prior to admission to the program, HABC will search for each adult family member in the EIV Debts Owed to PHAs and Terminations module.

HABC will identify former residents of federally assisted rental programs who voluntarily or involuntarily left the program and have a reportable adverse status and/or owe money to a PHA or to a landlord as a result of participation in the Housing Choice Voucher Program (HCVP).

HABC will retain the search results with the application along with any documentation obtained as a result of contacts with the applicant and the PHA and/or owner at the other location. HABC will determine if the information warrants a denial in accordance with the policies in this ACOP.

For each new admission, HABC will review the EIV Income and IVT Reports to confirm and validate family reported income within 120 days of the 50058 submission to HUD.

4.17 DEBT SCREENING

HABC will conduct a debt screening on all members 18 years old or older.

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

law. Debts discharged in bankruptcy may not be collected. Debts may not be collected under Maryland state law three years after the debt was incurred. If the debt was incurred in another state, a determination as to whether the debt may be collected shall be made in consultation with HABC's Office of Legal Affairs.

Each person who has signed the lease is responsible for the entire debt incurred as a previous HABC resident; however, remaining family members listed on the lease who did not sign the lease, such as children of the head of household or spouse, will not be held responsible for the parent's unpaid debt.

4.17.1 Denial for Debt to HABC

HABC may deny assistance to an applicant:

- 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 public housing assistance programs under the 1937 Act for amounts paid to an owner under a HAP contract for rent, damages to the unit or other amounts owed by the applicant family under the lease and the amount is not fully repaid within 60 calendar days from the date HABC notifies the applicant of the debt; and/or

- If the applicant family has breached a repayment agreement, with HABC or another PHA, entered in connection with participation in the HCVP or public housing assistance programs under the 1937 Act, and the amount is not fully repaid within 60 calendar days from the date of the screening appointment.

Mitigating Factors

Review and approval by the Admissions and Leasing Manager is required when admission is based on mitigating factors. HABC may consider the following factors when considering denial of assistance related to debt screening:

- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.

- Circumstances which led to the creation of the debt, i.e., death of a household member, layoff, medical expenses.

- Current financial circumstances.

- 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, or stalking.

4.18 CRIMINAL BACKGROUND SCREENING

HABC will check criminal history for all members of the applicant's household who are 14 years of age and older to determine whether any such member has engaged in drug-related, violent, or

other criminal activity**.** Denials, related to criminal activity, are limited to crimes that are not excluded under any HUD regulations or rules.

Verification of any past criminal activity will be done prior to final eligibility and will include a review of conviction records.

HABC will deny eligibility for admission for a period of 18 months for a misdemeanor conviction and for a period of three years for a felony conviction beginning on the date of conviction or the release from incarceration, whichever is later.

HABC will not base a determination that an applicant or household engaged in criminal activity warranting denial of admission, termination of assistance, or eviction 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 admission based on the criminal background check and the applicant disagrees with the results of the criminal background check, the applicant may present documentation that the criminal background check results are incorrect.

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. The applicant will have an opportunity to dispute the accuracy and relevance of the information through the informal review process.

If the criminal record check identifies a pending criminal investigation or charge, HABC will suspend an eligibility determination. HABC will inform the applicant that he/she may request reactivation of the application within 90 calendar days of the final disposition of the case, provided the disposition is not a conviction. If reactivation of the application is not requested within 90 calendar days, the applicant will be withdrawn.

4.19 DENIALS

4.19.1 Mandatory Denials

HABC will deny assistance because of one of the following:

- Any household member has been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing. This denial will be permanent.

- Any household member was evicted from public housing, Indian housing, or any Section 8 program because of drug-related or other criminal activity, for a three-year period beginning on the date of eviction. For purposes of this ACOP, the term eviction shall include any household member leaving the unit because of a pending eviction, pending termination from the federally assisted program or other pending adverse action due to alleged criminal activity or due to a pending lease enforcement action.

- A member of the household who is subject to any registration requirement under a State sex offender registration program, so that the period of ineligibility will be the same as the period required for registration.

Mitigating Factors

Review and approval by the Admissions and Leasing Manager is required when admission is based on mitigating factors. HABC may consider the following as a mitigating factor to reverse mandatory denial of assistance related to criminal background screening:

- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

4.19.2 Other Denials

HABC will deny assistance because of one of the following:

- HABC determines there is reasonable cause to believe that any household member is currently engaging in or has engaged in drug-related, violent, or other criminal activity.

- HABC determines there is reasonable cause to believe that any household member is currently abusing 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 alcohol abuse.

Mitigating Factors

Review and approval by the Admissions and Leasing Manager is required when admission is based on mitigating factors. HABC may consider the following as mitigating factors to reverse denial of assistance related to criminal background screening during the information review process:

- The seriousness of the case, especially with respect to how it would affect other residents.

- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.

- 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, or stalking.

- The length of time since the violation occurred, the family's recent history, and the likelihood of favorable conduct in the future.

- Evidence of the family's participation in, or willingness to participate in, social service or other appropriate counseling service programs.

- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. HABC will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

- Evidence of work history or history of community volunteer work.

- Satisfactory completion of probation.

- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

- The circumstances that led to eviction no longer exist, i.e., the criminal household member has died or is imprisoned.

4.20 CONFIDENTIALITY OF CRIMINAL RECORDS

HABC will ensure that any criminal record received is: (1) maintained confidentially; (2) not misused or improperly disseminated; and (3) is destroyed once the purpose for which it was requested is accomplished.

HABC will document in the applicant's file that the applicant was denied admission due to findings in the Criminal History Report.

4.21 DISCLOSURE OF CRIMINAL RECORDS TO APPLICANT

When HABC takes any adverse action based on a criminal conviction record, the applicant and subject of record will be provided with a copy of the criminal record and an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at an informal hearing.

4.22 TENANT READINESS TRAINING

The admissions process will include a pre- and/or post-occupancy Tenant Readiness Training. HABC will try to assess an applicant's readiness for housing prior to admission. However, in certain circumstances HABC may require the applicant/resident to attend training after admission. These cases include but are not limited to:

- When the applicant must be housed precipitously due to an emergency (as defined by the policies in the Tenant Selection and Assignment chapter of this ACOP); or

- As a reasonable accommodation.

Notwithstanding the foregoing, an applicant's failure to complete the Tenant Readiness Training may result in denial of admission or termination of tenancy.

4.23 SCREENING FOR SUITABILITY

HABC may conduct a detailed interview and screening of all applicants. The interview may contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy. Answers will be subject to third party verification.

HABC may complete a rental history check on all applicants.

In the absence of satisfactory landlord documentation, applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease. If the applicant is a person with a disability, he or she must be able to demonstrate the ability and willingness to comply with the terms of the lease with or without a reasonable accommodation.

HABC may rely upon sources of information which may include, but are not limited to, HABC records, personal interviews with the applicant or resident, interviews with previous landlords, employers, social workers, parole officers, criminal and court records, clinics, physicians, the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a resident, criminal records, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety, or welfare of other residents, or the physical environment, or the financial stability of the project.

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

- A credit history checks to determine if there is unreported income and/or assets, i.e., if an applicant claimed zero income and routinely pays $500 toward a credit card, HABC would question the source of the funds to pay on the credit card.

- The applicant's past performance in meeting financial obligations, especially payment of rent and utilities, which may include a credit history check.

- Eviction, a record of disturbance of neighbors sufficient to warrant a police call, destruction of property, and past or present housekeeping habits that may adversely affect the health, safety, or welfare of other residents or neighbors.

- Any history or evidence of repeated acts of violence on the part of any applicant family member, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors.

- Any history of initiating threats or behaving in a manner indicating an intent to assault employees or other residents.

4.23.1 Rent Paying Habits

HABC may examine any records from a prior tenancy and may request written references from the

applicant's current landlord and may request written references from former landlords **up to the past three years** to determine if the applicant was chronically late with rent payments, was evicted at any time during the past **three years** for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances may be grounds for an ineligibility determination. HABC will consider the following factors during an informal review, if requested by the applicant:

(1) Amount of former rent.

(2) Loss of employment.

(3) Death or divorce from primary support.

(4) Illness or other circumstances beyond applicant's control.

Applicants will not be considered to have a poor credit history if they were late paying rent because they were withholding rent due to substandard housing conditions in a manner consistent with applicable laws; or had a poor rent paying history clearly related to an excessive rent relative to their income (using 50% of their gross income as a guide), and responsible efforts were made by the applicant to resolve the nonpayment problem.

4.24 NOTICE OF ELIGIBILITY OR DENIAL

HABC will notify an applicant family of its final determination of eligibility in accordance with the screening policies in this ACOP.

If HABC uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record will precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the HABC moves to deny the application. In addition, a copy of the record will be provided to the subject of the record.

4.25 ESTIMATION OF DATE OF OCCUPANCY

At the time the applicant completes the full application, HABC will make every effort to accurately estimate an approximate date of occupancy; however, the date given by HABC does not mean that applicants should expect to be housed by that date. The availability of a suitable unit to offer an applicant is contingent upon factors not directly controlled by HABC, such as turnover rates, and market demands as they affect bedroom sizes and project location.

4.26 DOCUMENTING FINDINGS RELATED TO SCREENING

An authorized representative of HABC will document any pertinent information received relative to the following:

- Criminal Activity - includes the activities identified in the criminal background check.

- Pattern of Violent Behavior - includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

- Pattern of Drug Use - includes a determination by HABC that the applicant has exhibited a pattern of illegal use of a controlled substance, which might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

- Drug-Related Criminal Activity - includes a determination by HABC that the applicant has been involved in the illegal manufacture, sale, distribution, or use of an illegal drug, or the possession of a drug with the intent to manufacture, sell, distribute, or use the illegal drug.

- Pattern of Alcohol Abuse - includes a determination by HABC that the applicant's pattern of alcohol abuse might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

- Initiating Threats - includes a determination by HABC that the applicant has a history of behaving in a manner indicating intent to assault employees or other residents.

- Abandonment of a Public Housing Unit - is a determination by HABC that the applicant left a PHA unit without advising PHA management staff so that staff could secure the unit and protect the property from vandalism.

- Non-Payment of Rightful Obligations - a determination by HABC that the applicant owes rent, utilities and/or other charges to HABC or any other public housing authority.

- Intentionally Falsifying an Application for Leasing - a determination by HABC that the applicant provided false information about family income OR size, used an alias on the application for housing, or made any other materially false statement or omission intended to mislead.

- Grossly Unsanitary or Hazardous Housekeeping - a determination by HABC that the applicant created a fire hazard through acts such as hoarding rags, papers, or any other materials; severely damaged the premises and equipment; caused infestation; caused foul odors, deposited garbage in halls; or seriously neglected the premises. This category does not include a determination that the housekeeping is found to be superficially unclean or lacking in orderliness, where such conditions do not create a problem for neighbors.

- Destruction of Property - a determination by HABC that the applicant destroyed property in previous rentals.

4.27 PROHIBITED CRITERIA FOR DENIAL OF ADMISSION

HABC will not reject an applicant because:

- The applicant has no income.

- The applicant is not employed.
- The applicant does not participate in a job-training program.
- The applicant will not apply for various welfare or benefit programs.
- The applicant has children.
- The applicant's marital status.
- The applicant is on welfare.
- The applicant is a student.

4.28 OWNER SELECTION OF TENANTS

These policies apply to the privately owned/managed sites and the RAD properties.

After HABC has conducted applicable screening, HABC will refer eligible applicants to owners who have vacant units. The owner is responsible for developing and HABC is responsible for approving, owner written tenant selection plans which must be consistent with improving housing opportunities for income eligible families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify HABC, in writing, of any rejected applicants including the grounds for any rejection.

4.29 OWNER DENIAL OF ADMISSION

If an applicant is referred to an owner for owner eligibility and suitability screening and his/her application is rejected by the owner, the applicant may select a different site and maintain his/her waiting list date and time. The applicant will only be removed from the CALBWL where the owner denied the applicant even if the applicant is on other CALBWLs owned/operated by that same owner. Owner rejected applicants will retain their position on all other CALBWLs provided the reason for rejection does not violate HABC eligibility and screening policies.

4.30 HEARINGS

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

CHAPTER 5: TENANT SELECTION AND ASSIGNMENT PLAN

5.1 INTRODUCTION

This chapter explains the policies for the selection of applicants from the waiting list that will be assisted in HABC conventional public housing sites and other sites that use HABC's ACOP and/or do not have their own tenant selection and assignment plan.

Applicants will be listed on the waiting lists in sequence based upon:

- Applicable preference factors.
- Date and time of application.

Applicants will be selected from the waiting lists to form a final eligibility "pool" based on the anticipated availability of units and size and type of units expected to be available. Applicants will be placed in the appropriate eligibility pool based on the size and type of unit needed after completing the verification and screening process.

To fill a vacancy, HABC will offer the dwelling unit to applicants at the top of the appropriate eligibility pool.

5.2 WAITING LIST PREFERENCES

Preferences are used to establish the order of placement on the waiting list and do not guarantee admission to the program. Every applicant must meet HABC's Selection Criteria as defined in this policy.

Applicants are contacted by HABC when they reach the top of the waiting list to verify their preference. See **REPORTING CHANGES WHILE ON THE WAITING LIST** for information on preference changes while on the waiting list. HABC will verify during the full eligibility determination interview whether the applicant meets the criteria for the preference.

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

5.3 LOCAL PREFERENCES

Local preferences are used to prioritize applicants on the waiting list. Public notice will be given before HABC adopts any new local preference not set forth in this ACOP. The notice will be publicized using the same guidelines as those for opening and closing the waiting list.

HABC uses the following Local Preferences:

1. Emergency Preferences

    - Families displaced due to Natural Disaster in the Baltimore metropolitan area. (Head, Co-head, or Spouse must have been displaced)

- Intimidated Crime Victims and Intimidated Witnesses of Crime Referred by the Maryland State's Attorney or Deputy Attorney, the United States Attorney's office, or authorized persons within a law enforcement agency. Applies to any family member.

- Families displaced from the family's residential housing unit due to governmental action that occurs in Baltimore City. The Head of Household, Co-head of Household, or spouse must be the person who is or is being displaced. For these purposes, the term "residential housing unit" means real property that: (1) contains a permanent structure constructed, or otherwise approved by the governing government authorities, for human habitation in accordance with applicable building codes; (2) has an address recognized by the United States Postal Service for delivery of mail; and (3) is occupied by the owner or by verified permission of the owner. For these purposes, Government action does not include acts to remove a person from any land, structure, place, space, or thing, which such person has no legal right to occupy or remain.

HABC will select applicants with the emergency preference after selecting transfer families with any type of emergency preference and before other transfer families.

2. Either the head of household, co-head, spouse, or sole member of the family is:

    - Employed

    - Age 62 or older

    - Enrolled in an approved Job Training Program.

    - A veteran: or

    - A family where one or more members is a person with a disability.

3. Residency Preference: HABC will grant priority within each preference categories to families where the head, co-head, or spouse is a resident of Baltimore City/County. Applicants who do not live in Baltimore City/County will only be considered for assistance after the waiting list is exhausted of applicants who live in Baltimore City regardless of preference. Applicants who are working or who have been notified that they are hired to work in the Baltimore City/County area will be provided with a residency preference.

4. Scattered Site Incentive Transfer Preference: Upon implementation, Scattered site units will be solely offered to existing HABC Public Housing families who request the transfer and who meet the Scattered Site Incentive transfer eligibility criteria which can be found in the Transfer chapter under **SCATTERED SITES INCENTIVE TRANSFER.**

5. Tenant Based and Project Based Displacement Preference: HABC will provide an admission preference to tenant-based and project-based families displaced due to HQS/NSIPRE non-Compliance in accordance with the regulations at 24 CFR 982.404(e)(2) and 24 CFR 983.208(d)(6)(ii).

5.4 Relocation Due to HQS Deficiencies

When an HCV family is required to relocate because of HQS deficiencies which are not resolved within the required time frame, if the family is unable to lease a new unit within the period provided by HABC (at least 90 days or longer following the termination of the HAP contract) HABC must offer, and, if accepted, provide the family with a selection preference for an appropriate-size public housing unit that first becomes available for occupancy after the time period expires.

5.5 SPECIAL HOUSING INITIATIVES

HABC may develop special housing initiatives that receive limited local preference through HABC Board approval. These special initiatives are targeted for specifically named families and may be based on HABC and community priorities or HUD targeted funding. In addition, SHIs may include a defined number of PH units that will be allocated to families meeting specific described criteria. An example of special housing initiative is the program for homeless families referred by the Mayor's Office of Homeless Services (OHS).

The number and type of housing opportunities, eligibility and admissions criteria, lease terms, rent payments, and other terms and conditions may vary from program to program. The terms and conditions of each Special Housing Initiative shall be described in MOUs or other agreements subject to Board approval.

Generally, applicants for SHIs are referred to HABC. When referred to HABC, these families may have already been determined eligible based on the referring organizations criteria. However, these families must meet HABC income and other eligibility requirements in order to be housed. In establishing special housing initiatives, HABC will determine the priority given to special housing initiative applicants, including if appropriate, the ratio of admissions of standard applicants to special initiatives applicants.

5.5.1 Homeless Families Referred by the Mayor's Office of Homeless Services (OHS)

Pursuant to an agreement between HABC and the program funder, HABC will provide an allocation of up to 100 public housing units for families referred by the Mayor's OHS through their Coordinated Access database. Applicants for units allocated under the Homeless allocation must meet HABC eligibility and screening requirements. Eligible applicants will be assigned appropriately sized units at family developments. Each family referred under this program will have a primary service provider who will coordinate and monitor all program activities. Families will be required to comply with and complete their service programs, which may include services such as addiction, anti-aggression, family, and mental health counseling. HABC has the right to terminate a family's lease due to the family's failure to comply with and complete the family's service program. The family must also comply with the terms of the family's HABC lease.

5.6 ORDER OF SELECTION

Before applying its preference system, HABC will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, or units in housing designated for the elderly or for non-elderly persons with disabilities limit the admission of families who match the characteristics and features of the vacant unit available.

The order of selection for vacant units, which includes residents requesting/needing transfers, as well as applicants, will generally be as follows, subject to the requirements of Section 10.9 for Administrative Transfers and Section 10.12, Demolition, Disposition, Revitalization, or Rehabilitation:

Transfer Type or Admission Preference	Applicant or Transfer
Emergency to address health, safety, and habitability issues	Transfer
Emergency VAWA	Transfer
Emergency IV/IW	Transfer
Emergency preference	Applicant
Immediate Needs	Transfer
Reasonable accommodation	Transfer
Transfers from accessible units	Transfer
Severely over-housed	Transfer
Severely under-housed	Transfer
Over/Under housed *	Transfer
Local Preference 3 *	Applicant
Local Preference 2 *	Applicant
Scattered Site Incentive**	Transfer

*For over/under housed transfers, on an annual basis, HABC will review its current occupancy goals and objectives and based on that review, establish a ratio of new admissions to transfers.

**Scattered site units are offered solely to existing Public Housing families who request and are eligible for the Scattered Site Incentive transfer preference who will be selected according to the date and time of their transfer request.

NOTE: Where Emergency preferences are referred to HABC, the Executive Director or his/her designee shall make a written determination on the admission priority of the emergency. Such determination will be included in the file to provide a clear audit trail for selection and housing. The default admission priority for applicant emergencies will be after all emergency transfers.

HABC does not apply additional preference points if a household qualifies for more than one of the household types in Preference #2, i.e., is employed and has disabled family members.

The examples below assume the households selected the same site (or were next on the CAFAWL) and qualify for the unit size.

Example #1

Applicant A will be selected before Applicant B even though Applicant B applied before Applicant A

Applicant A:

- Applied on 3/5/17,

- Lives in Baltimore City.
- Is employed; and
- Is 63 years of age,
- Receives 3 preference points, two for being a Baltimore City resident and one point for qualifying for Preference 2.

Applicant B:

- Applied on 11/15/16.
- Is a veteran; and
- Does not live in Baltimore City,
- Receives 1 preference point for the veteran's status.

Example #2

Applicant C receives 3 preference points and will be selected before Applicant D, who receives only 1 preference point. Even though Applicant D applied over one year before Applicant C, applicants who do not live in Baltimore City/County will only be considered for assistance after the waiting list is exhausted of applicants who live in Baltimore City/County regardless of preference.

Applicant C:

- Applied on 10/10/15
- Works in Baltimore City
- Receives 2 points for working in Baltimore City/County (residency preference)
- Receives 1 point for being employed

Applicant D:

- Applied on 2/5/14
- Is employed outside of Baltimore City/County
- Does not currently live in Baltimore City/County
- Receives 1 preference point for being employed

By matching unit and applicant characteristics, it is possible that applicants who are lower on the waiting list may receive an offer of housing ahead of applicants with an earlier date and time of application.

Any admissions policies mandated by court order or directed by HUD related to desegregation or Fair Housing and Equal Opportunity will take precedence over HABC's preference system.

5.7 ORDER OF SELECTION FOR THE 22 SCATTERED SITES THOMPSON UNITS

Under the Thompson Consent Decree, HABC created 22 public housing units in Baltimore City (Thompson 22 Units). HABC's Admissions and Leasing Office is responsible for screening the applicants for the Thompson 22 Units in accordance with Chapter 4 of this ACOP. The families

found eligible to move into the Thompson 22 Units will be housed in accordance with the following preferences:

- Current residents of HABC public housing who are in the Baltimore Regional Housing Partnership ("BRHP") case load.

HABC's Admissions and Leasing Office is also responsible for screening families to occupy the Thompson 22 Units that meet the Uniform Federal Accessibility Standards ("UFAS") in accordance with the following preferences:

- 1st Preference – HABC public housing residents who are on the reasonable accommodation transfer waiting list and need the features of a UFAS unit; and

- 2nd Preference – Applicants on HABC's public housing waiting list who need the features of a UFAS unit.

Families selected by the Admissions and Leasing Office for the Thompson 22 Units that are UFAS compliant will be referred to BRHP for pre-move counseling.

5.8 PROHIBITION ON SELECTION LIMITS FOR MIXED POPULATION DEVELOPMENTS

A mixed population development is one that is occupied by families whose head, spouse, or sole member is at least 62 years of age, and by families whose head, co-head, spouse, or sole member is a non-elderly person with a disability.

No limit will be established on the number of elderly families or non-elderly persons with disabilities who may occupy a mixed population development. All other HABC preferences will be applied.

Per HUD regulations, equal preference will be given to elderly families and non-elderly persons with disabilities.

Applicants who are referred to a development converted under the Rental Assistance Demonstration (RAD) may be screened by that development in accordance with the RAD Long Term Affordable (LTA) Criteria.

5.9 UNIT OFFERS

The policies below cover unit offers for units covered under the CALBWL, CAFAWL, and CAMPBWL.

Unit offers will be made to eligible applicants in the ready pool according to their ranking order.

If an applicant has been offered a unit from one of the applicant's selected waiting lists, HABC will not refer the applicant for other vacant units until a determination is made on the open referral. For example, if an applicant is referred to a unit at Primrose Place and the applicant is also on the waiting list for Heritage Crossing, the applicant will not be offered a unit at Heritage Crossing

until an outcome has been determined on the unit offered at Primrose Place.

5.9.1 Unit Offers for Applicants on the CALBWL Only

When an applicant selects up to three developments on the CALBWL only, the refusal of one unit offer, without good cause, will result in removal from all selected developments covered by the CALBWL. The applicant must reapply when and if the waiting list is open.

5.9.2 Unit Offers for Applicants on the CALBWL and CAMPBWL

If an applicant selects the CAMPBWL and one or two developments covered by the CALBWL, the applicant will have a total of three refusals of unit offers, without good cause, before being removed from all centrally managed waiting lists. For example, assuming refusals are without good cause:

- If an applicant selects Heritage Crossing, Gilmor Homes, and the CAMPBWL and the applicant refuses an offer at Heritage Crossing, the applicant will be removed from the Heritage Crossing waiting list and will have two more-unit refusals before being removed from the Gilmor Homes and the CAMPBWL.

- If the applicant is next offered a unit from the CAMPBWL and refuses the offer, the applicant will remain on both the CAMPBWL and Gilmor waiting lists.

- If the applicant is next offered a unit from either the CAMPBWL or Gilmor waiting list and refuses the offer, the applicant will be removed from the CAMPBWL and Gilmor waiting lists. The applicant will no longer be listed on any waiting lists and must reapply.

5.9.3 Unit Offers for Applicants on the CAMPBWL Only

Applicants who have selected the CAMPBWL only will not be able to choose a specific development covered under the CAMPBWL. HABC will provide up to three (3) offers of dwelling units for applicants who have the CAMPBWL as their waiting list option. If an applicant refuses three unit offers without good cause, the applicant will be removed from the CAMPBWL and must reapply.

5.9.4 Unit Offers for Applicants on the CAFAWL

Applicants who have selected the CAFAWL only will be included on all development/unit waiting lists for which they are eligible. Applicants who choose the CAFAWL will not be able to choose a specific development covered under the CAFAWL. HABC will provide one unit offer to an applicant who has chosen the CAFAWL as their waiting list option. If an applicant refuses the unit offer, without good cause, the applicant will be removed from the CAFAWL and must reapply.

5.9.5 Unit Offers for Project-Based Units Covered under the LTA Criteria

HABC will select applicants for Project-Based (PB) Units covered under the LTA Criteria from the PH CALBWL. The waiting list will identify the PB LTA units and inform interested families that the PB LTA units will be subject to PB Program regulatory requirements and applicable

policies in the HCV Admin Plan.

5.9.6 Unit Offers for Scattered Site Units

Scattered site units are offered solely to families eligible for the Scattered Site Incentive transfer preference who are on the Scattered Site Incentive Transfer waiting list according to the date and time of application and applicability of the size of the unit. See **TRANSFER WAITING LISTS** in the Transfer chapter for further policy information on Scattered Site Incentive transfer.

5.10 UNITS/DEVELOPMENTS INCLUDED IN THE CAMPBWL

Different waiting lists have properties which are exclusive to the waiting list. For example, units for the property at Bel Park Towers are filled exclusively from the CAMPBWL. See the Appendix **PROPERTY & RELATED WAITING LIST** includes a table with a listing of properties and the waiting lists which are used to fill units for the property. This list is subject to change to reflect RAD conversions, demo, dispo, and/or Section 18 actions.

Vacancies for the units covered under the CAMPBWL, CAFAWL, or reasonable accommodation transfer list will be filled by the first eligible family on the applicable waiting list. Where the term eligible families are concerned, this means that the waiting list will include only those families who meet the eligibility requirements for the development, i.e., Elderly Only, Mixed Population (elderly or non-elderly disabled) or Family.

5.11 OFFER OF ACCESSIBLE UNITS

HABC has units designed for persons with mobility impairments, referred to as UFAS Accessible Units.

Where a family needs a 2 or more BR units on one level without steps, the only available units which meet this qualification are UFAS Accessible Units. As such, families who are verified to need such a unit, may be offered a UFAS Accessible Unit.

Applicants in which no household member has a mobility impairment will not be offered these units until all residents and applicants who are eligible for the size of the available UFAS Accessible unit and who have a household member who has a mobility impairment have been considered.

Before offering a vacant UFAS Accessible unit to an applicant in which no household member has a mobility impairment, HABC will offer such units:

- First, to a current resident at that HABC development who was approved by HABC to transfer to a UFAS Accessible unit and who is on HABC's reasonable accommodation transfer waiting list because the resident or a household member has a disability that requires the special features of the vacant unit.

- Second, to a current resident at another HABC development who was approved by HABC to transfer to a UFAS Accessible unit and who is on HABC's reasonable accommodation

transfer waiting list because the resident or a household member has a disability that requires the special features of the vacant unit.

- Third, to an eligible qualified applicant on HABC's public housing waiting list who has a disability that requires the special features of the vacant unit or who has a household member who has a disability that requires the features of the unit.

When offering a UFAS Accessible unit to an applicant in which no household member has a mobility impairment, HABC will require the household to agree to move to an available non-UFAS/non-accessible unit within 30 calendar days when either a current resident or an applicant needs the features of the unit and there is another unit available for the household in which no household member has a mobility disability. This requirement will be a provision of the lease agreement.

5.12 PREFERENCE DENIAL

If HABC denies a preference, the applicant will be placed on the waiting list without benefit of the preference.

HABC will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review. The applicant must request an informal review within 14 calendar days. The request must be made in writing. If the preference denial is upheld, the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Fair Housing information and discrimination complaint forms will be made available upon request by the asset managers at each of the site developments and by HABC's Fair Housing & Equal Opportunity Office.

5.13 LOW INCOME FAMILY ADMISSIONS

HABC will ensure that at least 75% of the families admitted into public housing from the waiting list have incomes that do not exceed 50% of the area median income as established in Baltimore City.

HABC will not admit any family whose income exceeds 80% of the HUD approved area median income.

5.14 UNITS DESIGNATED FOR THE ELDERLY

Elderly families, with a head, spouse, or sole member who is at least 62 years of age, will receive a preference for admission to buildings with an elderly preference.

5.15 CHANGES PRIOR TO UNIT OFFER

Changes in an applicant's status, including, but not limited to, changes in family composition and/or income that occurs between the time of eligibility determination and unit offer may affect the family's eligibility or Total Tenant Payment. The family will be notified in writing of changes in the family's eligibility or level of benefits and informed of the family's right to an informal hearing when applicable.

HABC will verify and process changes in family composition and/or income which occur between the time of eligibility determination and unit offer. HABC will not lease a unit to a family whose occupancy will overcrowd or underutilize the unit or whose change in income results in income ineligibility.

If changes in the family composition results in a change in the size of the unit for which the family is eligible, HABC will place the family back on the waiting list for the appropriate size unit using the family's original date and time of application.

If changes in income result in a family being ineligible, HABC will send a denial letter and inform the family of its right to an informal hearing.

See policies in Chapter 4 on **OWNER DENIAL OF ADMISSION** for waiting list status when an owner denies an applicant.

5.16 TIME LIMIT FOR ACCEPTANCE OF UNIT

Applicants must accept a unit offer within 3 working days of the date the offer is made. Offers may be made over the telephone, by US mail or by email. Applicants will be removed from all centrally managed PH waiting lists if they do not respond within three working days from the date of the call/email. If a letter is sent via US Mail, the three working days is presumed to start two working days after the date on the letter. This policy presumes that the unit offer letter is mailed on the same date referenced on the unit offer letter.

Once an applicant has accepted a unit, the applicant must sign a lease with an effective date that is no more than 3 business days from the date of unit acceptance. However, if the unit is not ready on the date of unit acceptance, the lease must be signed with an effective date which is no more than 3 business days from the date the unit will be ready for occupancy.

5.17 UNIT ACCCEPTANCE: UNIT OUTSIDE OF HABC OCCUPANCY STANDARDS

If a family agrees to be housed in a unit that is smaller than the unit size under HABC's occupancy standards, the family will not be allowed to request an occupancy standard move for two years.

If a family agrees to be housed in a unit that is larger than the unit size under HABC's occupancy standards, the family will be required to sign a Lease Addendum whereby the family agrees to move upon thirty days' notice from HABC. In such circumstances, HABC will provide an appropriately sized unit for the family who is required to move.

5.18 UNIT REFUSAL

Generally, if an applicant rejects a unit that is offered, the applicant will be withdrawn from the centrally managed Public Housing waiting list unless the applicant can demonstrate and HABC can verify good cause for the refusal. Where unit offers are made for units covered under the CAMPBWL, if an applicant rejects three unit offers, the applicant will be withdrawn from all centrally managed Public Housing waiting list unless the applicant can demonstrate and HABC

can verify good cause for the refusal.

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

5.19 GOOD CAUSE FOR UNIT REFUSAL

"Good cause" for the refusal to take occupancy of a housing unit is defined below. If an applicant refuses an offer for good cause, the applicant will retain his/her position on the waiting list and will not be removed from the waiting list.

Reasons which constitute good cause include:

- Inaccessibility to source of employment or children's day care such that an adult household member must quit a job or drop out of an educational institution or a job training program, which must be verified by the employer, job training program, or day care center as applicable.

- For families who have a family member with a disability, inaccessibility to the medical provider or service provider, which must be verified by the family member's healthcare professional.

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

- The unit is inappropriate for the applicant's disabilities (if the inappropriateness of the unit is not obvious, HABC may require verification from the applicant's healthcare professional).

- There is a change to the school which covers the development selected and the parent/guardian no longer finds the location selection appropriate.

- The unit includes tenant payment responsibility for utilities, and it will create a financial hardship for the family and/or they are unable to get the utilities in a family members' name.

- Other circumstances that are determined by HABC's Admissions and Leasing Office to prevent the applicant from occupying the unit as may be verified by an independent third party.

5.20 LEASING INCENTIVE

MTW Policy

HABC will offer a $250 rent credit to applicants who agree to lease a "hard to lease" unit. A unit will be considered "hard to lease" when the unit has been available and there have been at least two prior unit refusals for the current vacancy. Applicants who accept "hard

to lease" units and who receive the leasing incentive will be required to remain in the unit for at least one year, with exceptions being granted for reasonable accommodations, unit conditions, and/or personal safety.

If the applicant who accepted the unit is zero income or minimal income, HABC may offer a unit enhancement, such as a television, air conditioning unit, ceiling fan, or microwave, in substitution of the rent credit.

CHAPTER 6: OCCUPANCY GUIDELINES

6.1 INTRODUCTION

Occupancy Guidelines are established by HABC to ensure that families occupy units of the appropriate size. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes based on the number of household members in the family when they are selected from the waiting list, when a family's composition changes, or when a family requests an exception to the occupancy guidelines.

6.2 DETERMINING UNIT SIZE

HABC does not determine who shares a bedroom, but there must be at least one person per bedroom. HABC's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines. HABC uses the general guidelines for determining the unit size below in conjunction with the Parameters for Determination of Unit Size.

Table of General Guidelines for Determining Unit Size

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	2
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

6.3 PARAMETERS FOR DETERMINATION OF UNIT SIZE AT ADMISSION

For occupancy standards, an adult is a person as defined in this ACOP.

Generally, HABC will assign a unit within the following guidelines:

- Single person families shall be allocated a zero or one bedroom.
- The Head of Household will not be required to share a bedroom with anyone other than the co-head of household, spouse, or partner.
- A same or opposite sex couple who is married, has an interdependent relationship, or domestic partnership will be allocated a zero or one bedroom.
- Household members of the same sex will be required to share a bedroom.
- Children of the opposite sex will not be required to share a bedroom.

- Foster children, appropriately documented, will be included in determining unit size only if they will be in the unit for more than 180 calendar days per year.

- Live-in aides will be provided a separate bedroom. See the policy on live-in aides for information on family members of live-in aides. If a live-in aide waives their right to have a separate bedroom, HABC will require the live-in aide to certify that they have waived this right.

- 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 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 months. After one-year, HABC may reevaluate the situation and may take action to transfer the family to another unit based on the family's composition.

6.4 EXCEPTIONS TO OCCUPANCY GUIDELINES

HABC may grant exceptions from the guidelines 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 and whether there is a vacant unit available. The Chief Operating Officer or his/her designee are authorized to approve exceptions to occupancy standards. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

- In all cases, where the family requests an exception to the general occupancy standards, HABC will evaluate the relationship and ages of all family members and the overall size of the unit.

- At the applicant's request or at the discretion of HABC, a family may be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines if in doing so, the family has an opportunity to be housed earlier, except where such placement conflicts with HABC's requirements under the section "Parameters for Determination of Unit Size." If placed in a smaller sized unit, the family must agree not to request a transfer until the family composition changes or the family has occupied the unit for at least two years.

- The family may request placement on a larger bedroom size waiting list than indicated by HABC's occupancy guidelines. The request must explain the need or justification for a larger bedroom size and will be verified by HABC before the family is placed on the larger bedroom size list.

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

will be granted if the family has submitted an "Appointment of Temporary Guardian" to HABC. If this form has been submitted, HABC will also require that the family have initiated legal proceedings for guardianship or legal custody.

- HABC will consider the following requests for a larger bedroom size:

  - ✓ Person with Disability - HABC will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified by a healthcare provider familiar with the disability and who can explain how a larger unit will address the disability.

  - ✓ To avoid vacancies, HABC may provide a family with a larger unit than the occupancy standards permit subject to the approval of the Chief Operating Officer or his/her designee.

- Children specified in joint custody agreements will be considered family members if the agreement specifies that they live with the parent for 50% or more of the time (at least 183 days a year) HABC will require verification of the custody agreement which may include school records and or court orders. When more than one applicant or client family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, HABC will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes. For purposes of determining unit size, HABC will follow the occupancy guidelines found in Chapter 6 of this ACOP; however, an exception for an extra bedroom may be made for a child in a shared physical custody arrangement. In any shared physical custody arrangement, children may only be listed as a family member in one household.

6.5 PROCESSING OF EXCEPTIONS

All requests for exceptions to the occupancy guidelines must be submitted in writing.

In the case of a request for exception, as a reasonable accommodation, HABC will ask the tenant to make the request in writing using a reasonable accommodation request form. However, HABC will consider the exception request any time the tenant indicates that an accommodation is needed whether a formal written request is submitted or not.

Requests for a larger size unit must explain the need or justification for the larger size unit and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source.

HABC will promptly notify the family, in writing, of its decision.

6.6 ACCESSIBLE UNITS

HABC has units designed for persons with mobility impairments and for persons with sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring hearing and vision modifications.

Preference for occupancy of these units will be given to families who have family members with disabilities and require the modifications or accessibility features provided in the units.

Accessible units must be offered first to residents on HABC's reasonable accommodation transfer waiting list who have a household member who needs the accessibility features of the unit and second to applicants on HABC's public housing waiting list who have a household member who needs the accessibility features of the unit. An accessible unit may be offered to either a resident or an applicant who does not have a household member who needs the features of the unit only after the unit has been offered to and rejected by residents and applicants who have a household member who needs the accessibility features of the unit.

If an accessible unit is offered and accepted by a resident or applicant who does not have a household member who needs the accessibility features of the unit, the resident or applicant must agree to a transfer to a non-accessible unit at a later date if HABC identifies a resident or an applicant who has a household member with a mobility impairment requiring the features of the accessible unit. This requirement is set forth in an Accessible Unit Lease Addendum, which must be signed by all residents leasing accessible units at the time the lease is signed.

6.7 FAMILY MOVES

The Asset Manager is required to complete a transfer application upon learning that a change in the household composition results in the family being under-house or over-housed. The Asset Manager may learn of a change in the composition of a resident family because of, among other things, information obtained during reexamination or due to the removal of a family member as evidenced through a memorandum of understanding. If the transfer request is approved, the family will be placed on the appropriate transfer waiting list (See chapter on Transfers).

The occupancy guidelines in this section are to be used as a guide in determining when a change in the bedroom size is appropriate. Unusual situations not covered in this policy must be reviewed with the Admissions and Leasing Manager for a decision.

CHAPTER 7: VERIFICATION

7.1 INTRODUCTION

HABC and the privately owned/managed sites verify all information that is used to establish the family's eligibility and level of assistance. Applicants and residents must cooperate with the verification process as a condition of receiving assistance. All information obtained through the verification process will be handled in accordance with the records management policies established by HABC and the privately owned/managed sites.

HABC will follow verification guidance in its approved MTW Plans and where not specifically stated in an MTW Plan, HABC and the privately owned/managed sites will follow verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter describes the general verification process and summarizes the verification policies on income, assets, mandatory deductions, and other family information used by HABC and the privately managed sites.

7.2 FAMILY CONSENT TO RELEASE OF INFORMATION

Applicants and residents must supply any information that HABC, the privately owned/managed sites, or HUD determines is necessary for the administration of the program and must consent to verification of that information by HABC and/or the privately managed sites. See policies on **PRIVACY RIGHTS & MTW AUTHORIZATION FOR RELEASE OF INFORMATION.**

7.3 VERIFICATION HIERARCHY

MTW Policy

HABC and the privately owned/managed sites will use the most reliable form of verification that is available. In order of priority, the forms of verification that HABC and the privately owned/managed sites will use are:

1. Up-front Income Verification using HUD's Enterprise Income Verification system and the Income Validation Tool (IVT)

2. Up-front Income Verification using a non-HUD system

3. 3rd Party Verification which includes: Written Third Party Verification (may be provided by applicant or resident), Written Third-party Verification Form, and Oral Third-party Verification

4. Self-certification

7.4 OVERVIEW OF VERIFICATION REQUIREMENTS

The following are HABC's and the privately owned/managed sites' general verification requirements:

- Generally, documents submitted for verification will remain valid for 150 calendar days from the date of receipt.

- Criminal history reports will be valid for no longer than 90 calendar days.

- The documents must not be altered or in any way illegible. HABC may reject any tenant provided documentation if:

    - The document is not an original; or

    - The original document has been altered, mutilated, or is not legible; or

    - The document appears to be a forged document (i.e., does not appear to be authentic)

- Printouts from web pages may be considered original documents.

- Any family self-certifications must be made in a format acceptable to HABC or the privately owned/managed site and must be signed in the presence of an HABC representative or a representative of the privately owned/managed site or a notary public.

- The HABC staff member or the privately owned/managed site staff member who views the original document will make a photocopy and date stamp the copy with the date the document was received.

- Unless otherwise stated, HABC and the privately owned/managed sites will accept documents dated more than 6 months before the date of the applicant's eligibility interview or the resident's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides annual reports, HABC and the privately owned/managed sites would accept the most recent report. However, because a Social Security benefit letter may be obtained more than once per year, HABC and the privately owned/managed sites will not accept a benefit letter that is more than 60 calendar days old.

- If a verifier provides a range of hours worked, HABC and the privately owned/managed sites will use the average of the range to calculate income.

- Where income is fully excluded, HABC will not conduct third party verification of the income.

7.5 AGE OF DOCUMENTS

MTW Policy

Any documents submitted for verification must be the original (not photocopies) and generally must be dated within 120 calendar days of the date they are provided to HABC.

7.6 UP-FRONT INCOME VERIFICATION (UIV)

UIV refers to HABC's and the privately owned/managed sites' use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available and cost effective to HABC and the privately owned/managed sites.

7.7 ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM

HABC and the privately owned/managed sites will use HUD's EIV system as a third-party source to verify resident employment and certain income information during regular reexaminations of family composition and income. The following policies apply to the use of HUD's EIV system.

7.7.1 Income Validation Tool (IVT)

The IVT report facilitates and enhances identification of unreported or under-reported income during interim and regular reexaminations. The IVT also provides income and wage, unemployment compensation, and SSA benefit information. Additionally, the IVT report provides income information for heads of household and family members where there may be discrepancies in family reported income and employer reported information.

At each regular reexamination of income and family composition HABC will:

- Review the EIV Income and IVT reports to confirm/validate tenant-reported income.
- Print and maintain the EIV Income and IVT Reports in the tenant file.
- Obtain current acceptable tenant-provided documentation to supplement EIV information (where applicable); and
- Use current tenant-provided documentation and/or third-party verification to calculate annual income.

Additionally, at each regular reexamination of income and family composition, using the IVT, HABC will:

- Identify any reported discrepancies in family reported income and employer reported information.
- Request the tenant to provide any documentation to confirm or dispute the income discrepancy.
- If applicable, determine the tenant rent using the correct and updated income.
- Determine the degree of tenant underreporting or misreporting of income information; and

- Act in accordance with HABC policy to resolve the identified discrepancies.

HABC may, at its discretion, utilize the IVT report for interim reexaminations.

7.7.2 EIV Income Reports

The data shown on income reports is updated quarterly, however, data may be between three and six months old at the time reports are generated. EIV income reports should be pulled within 120 days of the effective date of the reexamination.

EIV income reports will be compared to family-provided information as part of the regular reexamination process. EIV Income reports may be used in the calculation of annual income, as described in the Chapter on Income and Adjusted Income **SEASONAL INCOME.**

EIV income reports will be used as necessary to identify earned income and unemployment benefits, and to verify and calculate Social Security, Dual Entitlement, and/or Supplemental Security Income benefits. EIV income reports will also be used to verify that families claiming zero income or minimal income are not receiving income from any of these sources.

EIV Income Reports will be retained in resident files with the reexamination documents. When HABC or the privately owned/managed site determines through EIV Income Reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies this ACOP.

<u>New Admission:</u>

For each new admission, HABC will review the EIV Income and IVT Reports within 120 days from the first PIC submission date to ensure that families, at the time of admission, accurately reported income. HABC will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV income report.

<u>Historical Adjustment:</u>

For each historical adjustment, HABC will run the EIV Income and IVT Reports within 120 days from the PIC submission date to ensure that families accurately reported income. HABC will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV/IVT reports.

<u>Regular Reexamination</u>

For each regular reexamination of family income and composition, HABC will review and retain in the tenant file the EIV Income and IVT Reports and any applicable documentation to resolve identified income discrepancies.

HABC may, at its discretion, utilize the EIV report for interim reexaminations.

7.7.3 EIV Identity Verification

The EIV system verifies resident identities against Social Security Administration (SSA) records.

These records are compared to Public and Indian Housing Information Center (PIC) data for a match on Social Security number, name, and date of birth. When identity verification for a resident fails, a message will be displayed within the EIV system, and no income information will be displayed.

HABC and the privately owned/managed sites will identify residents whose identity verification has failed. HABC and the privately owned/managed sites will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the resident. When HABC or the privately owned/managed site determines that discrepancies exist because of errors by HABC or the privately owned/managed site, such as spelling errors or incorrect birth dates, HABC or the privately owned/managed site will correct the errors.

7.8 THIRD-PARTY VERIFICATION

MTW Policy

HABC will use the following hierarchy to verify program information.

Third party verification includes the following in no specific order:

- Third party written verification;
- Third party written verification form; and
- Oral verification.

HABC may accept any of the third-party methods above to verify income, expense, and family information before moving to a lower form of verification. In cases where there is specific policy requirement for verification of program information, HABC will follow the item specific policy guidance. For example, oral verification of a Social Security Number is prohibited.

7.8.1 Third Party Written Verification

Written third-party verification is an original or authentic document generated by a third-party source. Such documentation may be in the possession of the resident or the applicant. HABC or the privately owned/managed site may, at its discretion, reject any resident-provided or applicant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable applicant-provided and resident-provided documents include but are not limited to pay stubs, payroll summary reports, employer notice or letters of hire and termination,

SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

7.8.2 Written Third-Party Verification Form

HABC or the privately owned/managed site, may request a written third-party verification form. HABC or the privately owned/managed site may mail, fax, or e-mail third-party written verification form requests to third-party sources.

7.8.3 Oral Third-Party Verification

Third-party oral verification may be used as form of written third-party verification. HABC or the privately owned/managed site will document oral verification attempts in the resident file and will attach the applicable third party written verification form to the oral verification form.

7.9 WHEN THIRD-PARTY VERIFICATION IS NOT REQUIRED

Third party verification will not be required under the following circumstances:

Verification Service Charge

If there is a service charge for third party verification, HABC or the privately owned/managed site will assume that third party verification is not available and use the next level of verification according to the verification hierarchy set forth in section 7.3 of this chapter.

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

HABC or the privately owned/managed site will accept a self-certification from the family as verification of assets disposed of for less than fair market value.

Assets Valued Up to $50,000

Per the section of this chapter on asset verification, HABC or the privately owned/managed site will accept a self-certification of asset income and value if the family's assets are valued up to $50,000. See verification chapter policies on **ASSETS AND INCOME FROM ASSETS.**

7.10 SELF-CERTIFICATION

Self-certification, or "resident declaration," is used as a last resort when HABC or the privately owned/managed site is unable to obtain third-party verification. When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to HABC or the privately owned/managed site. HABC or the privately owned/managed site will document the file with attempts to obtain higher forms of verification before relying on self-certification.

The self-certification must be made in a format acceptable to HABC or the privately owned/managed site and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of an HABC representative or notary public.

7.11 RESIDENT FAILS TO RESPOND TO VERIFICATION REQUEST

Residents are required to respond to requests by HABC or the privately owned/managed site for verification of family, income, and/or expense information. HABC or the privately owned/managed site will take the following actions when a family fails to respond to the request for verification:

- 5 working days after the request for verification, HABC or the privately owned/managed site will send a letter to the head of household, warning of the consequences if the family fails to contact HABC or the privately owned/managed site within the time frame set forth in the letter.

- If at the end of the time frame set forth in the letter, the family has not provided the requested information, HABC or the privately owned/managed site will send the family a termination letter.

7.12 SUBSTANTIAL DIFFERENCE

MTW Policy

HABC will use $5,000 as the threshold for substantial difference between verification sources and for use in reconciling EIV/IVT discrepancies. HABC and the privately owner/managed sites reserve the right to request additional verification information and use any other verification method in priority order to reconcile any substantial differences.

7.13 FRAUD

Information provided by the applicant/resident that proves to be untrue may be used to disqualify the applicant for admission or terminate the resident's lease based on attempted fraud. HABC and the privately owned/managed sites consider false information concerning the following to be grounds for rejecting an applicant or terminating assistance:

- Income, assets, family composition.

- Social Security Numbers.

- Preferences.

- Allowances (e.g., medical, disability, and/or childcare expenses); and

- Previous participant history or criminal history

The applicant/resident shall be notified in writing of such determination by HABC or the privately

owned/managed site and will be given the opportunity for a grievance hearing.

7.14 SOCIAL SECURITY NUMBERS

Applicants and residents must provide documentation of a valid Social Security number for each member of the household, except for individuals who do not contend eligible immigration status. An exemption is also provided to existing residents who were at least 62 years of age as of January 31, 2010, and had not previously disclosed a Social Security number.

HABC or the privately owned/managed site will accept the following documentation as acceptable evidence of the social security number:

- An original Social Security number card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and Social Security number of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and Social Security number of the individual

Verification of the Social Security number of a child under the age of 6 must be provided to HABC or the privately owned/managed site within 90 calendar days from the date of admission to the program or within 90 days of the date of the request to add the child to the household. A 90-day extension may be granted if HABC or the privately owned/managed site determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control. During the period HABC or the privately owned/managed site is awaiting documentation of the Social Security number, the child will be counted as part of the assisted household.

When a resident makes a request to add a new household member who is 6 years of age or under and has a Social Security number, the resident must provide the complete and accurate Social Security number assigned to that member at the time of reexamination or reexamination, and the documentation required to verify the Social Security number. HABC or the privately owned/managed site will not add the new household member until such documentation is provided.

7.15 DOCUMENTATION OF AGE

If an official record of birth or evidence of Social Security retirement benefits cannot be provided, HABC or the privately owned/managed site will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

7.16 MARRIAGE

Certification by the head of household is normally sufficient verification of marriage.

7.17 PARENT-CHILD RELATIONSHIP, LEGAL CUSTODY/GUARDIANSHIP

HABC or the privately owned/managed site may require the family to provide documentation of parent child relationship and/or legal custody/guardianship. Verification includes the following:

Parent-Child Relationship

- Birth certificate listing the parent's name(s)
- Adoption paperwork
- Sworn affidavit by a relative or other persons with personal knowledge of the facts of the child's birth, such as a baptism issued by a church.

Legal Guardianship

- Order or letter of guardianship signed by a judge
- A will appointing the guardian. A will does not provide guardianship, but it is proof of the decedent's wishes. This should only be use while waiting for an actual order appointing the guardian
- Affidavit of Guardianship

7.18 SEPARATION OR DIVORCE

HABC or the privately owned/managed site may require the family to provide documentation of the divorce or separation with a certified copy of a divorce decree, signed by a court officer; a copy of a court-ordered maintenance or other court record; or other documentation that shows a couple is divorced or separated.

7.19 ABSENCE OF ADULT MEMBER

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

7.20 FOSTER CHILDREN AND FOSTER ADULTS

Third-party verification from the state or local government agency responsible for the placement of the foster child or foster adult with the family is required.

7.21 VERIFICATION OF STUDENT STATUS

HABC and the privately owned/managed sites require families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The family claims full-time student status for an adult other than the head, spouse, or co-head, or

- The family claims a childcare deduction to enable a family member to further his or her education.

7.22 VERIFICATION OF DISABILITY

HABC and the privately owned/managed sites with site-based waiting lists will verify the existence of a disability in order to determine waiting list preferences. HABC and the privately owned/managed sites will verify the existence of a disability to allow certain income disallowances and deductions from income. HABC or the privately owned/managed site will use HUD's definition of disability in 24 CFR 5.403, as may be amended, to verify a disability for these purposes.

HABC and the privately owned/managed sites will accept receipt of Social Security Administration disability benefits or other benefits awarded exclusively to persons with disabilities as verification of disability and to entitle a resident to the household deduction for persons with disabilities. If the resident stops receiving Social Security Administration disability benefits, is not receiving any other benefits that are awarded only to persons with disabilities, and does not have an obvious disability, HABC or the privately owned/managed site may require the resident to provide disability verification from a healthcare professional verifying that the resident continues to have a disability as a condition of the resident's continuing to receive the household deduction for persons with disabilities.

7.23 VERIFICATION OF U.S. CITIZENSHIP AND OF ELIGIBLE IMMIGRATION STATUS

HUD requires a declaration for each family member who claims to be a U.S. citizen or national or to have eligible immigration status. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless HABC or the privately owned/managed site receives information indicating that an individual's declaration may not be accurate.

The documentation required for eligible non-citizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance.

For family members aged 62 or older who claim to be eligible immigrants, proof of age is required; however, no further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, HABC or the privately owned/managed site will verify immigration status with the U.S. Citizenship and Immigration Services (USCIS). HABC will follow all USCIS protocols for verification of eligible

immigration status.

7.24 VERIFYING INCOME

Any income reported by the family must be verified.

7.24.1 Earned Income

For verification of wages using paystubs (written third party verification), HABC and the privately owned/managed sites require 4 pays stubs for weekly pay, 2 pay stubs for bi-weekly or bi-monthly pay, and 2 pay stubs for monthly pay. The pay stubs must be consecutive.

If an applicant/resident provides more than the minimum required pay stubs for verification, HABC or the privately owned/managed site will use only the minimum number of paystubs required and will ensure that the pay stubs used reflect the most current paystubs provided.

MTW Policy

HABC will not verify adult full-time student (for adult FT students other than the head, co-head, or spouse) income as 100% of the earned income is excluded; however, HABC will verify full-time student status.

7.24.2 Business & Self-Employment Income

Business owners and self-employed persons will be required to provide one or more of the following:

- An audited financial statement for the previous fiscal year if an audit was conducted.
- If an audit was not conducted, a statement of income and expenses must be submitted, and the business owner or self-employed person must certify to its accuracy.
- All IRS schedules completed for filing federal and local taxes in the preceding year. 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.

At any reexamination HABC or the privately owned/managed site may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed for less than three (3) months, HABC or the privately owned/managed site will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months.

If the family member has been self-employed for only three (3) to twelve (12) months HABC or the privately owned/managed site will require the family to provide documentation of income and expenses for this period and use that information to project income.

7.24.3 Social Security ("SS")/Supplemental Security Income ("SSI") Benefits

To verify the SS/SSI benefits of applicants, HABC or the privately owned/managed site will request a current (dated within the last 60 calendar days) SSA benefit verification letter from each family member who receives social security benefits. If a family member is unable to provide the document, HABC or the privately owned/managed site will help the applicant request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. The family will be required to provide the benefit verification letter to HABC upon receiving it.

To verify the SS/SSI benefits of residents, HABC or the privately owned/managed site will obtain information about SS/SSI benefits through HUD's EIV system and confirm with the resident(s) that the current listed benefit amount is correct.

If the resident disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, HABC or the privately owned/managed site will request a current SSA benefit verification letter from each family member who receives Social Security benefits. If a family member is unable to provide the document, HABC or the privately owned/managed site will advise the resident that he or she may request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. The family will be required to provide the benefit verification letter to HABC or the privately owned/managed site upon receiving it.

7.24.4 Alimony or Child Support

The methods HABC and the privately owned/managed sites will use to verify alimony and child support payments will differ depending on whether the family declares that it receives regular payments. If the family declares that it ***receives irregular or no payments***, HABC or the privately owned/managed site will verify payments using a disbursement history provided by the child support enforcement agency. If the family declares that payments are regular, HABC or the privately owned/managed site will use one or more of the following:

- Copies of the receipts and/or payment stubs from a complete prior six (6) month average
- Third-party verification form from the state or local child support enforcement agency
- Third-party verification form from the person paying the support
- Family's self-certification of amount received

If there are minors in the household and both parents and/or legal guardians do not reside in the unit, HABC will request 3rd party verification from the Family Court to confirm that no child support is paid.

7.25 ASSETS AND INCOME FROM ASSETS

MTW Policy

Under the authority of the MTW Agreement, applicants and tenants will be allowed to self-certify asset value and income when the market/face of the family's assets is up to $50,000.

When the market/face value of assets is over $50,000, HABC will apply MTW verification requirements in priority order.

HABC and the privately owned/managed sites will require the information necessary to determine the current cash value of the family's assets, which is the net amount the family would receive if the asset were converted to cash.

Acceptable verification may include any of the following:

- Verification forms, letters, or documents 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 security or real estate.
- Real estate tax statements if the approximate current market value can be declared 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.

7.25.1 Assets Disposed of for Less than Fair Market Value

HABC or the privately owned/managed site will obtain a self-certification from applicants and residents as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the applicant's eligibility certification or the resident's reexamination. If the family certifies that it has disposed of assets, as defined by HUD, for less than fair market value, verification is required that shows:

- All assets disposed of for less than fair market value.
- The date they were disposed of.
- The amount the family received; and
- The market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

7.25.2 Net Income from Rental Property

To verify net income from a rental property, the family must provide:

- A current executed lease for the property that shows the rental amount or certification from the current resident; or

- A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If a Schedule E was not prepared, HABC or the privately owned/managed site will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7.26 RETIREMENT ACCOUNTS

HABC or the privately owned/managed site will accept written third-party documents supplied by applicants and residents as evidence of the status of retirement accounts. The type of original document that will be accepted depends upon the family member's retirement status.

- *Before* retirement, HABC or the privately owned/managed site will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

- *Upon* retirement, HABC or the privately owned/managed site will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken, and any regular payments.

- *After* retirement, HABC or the privately owned/managed site will accept an original document from the entity holding the account dated no earlier than 12 months before the date of the applicant's eligibility interview or the resident's reexamination that reflects any distributions of the account balance, any lump sums taken, and any regular distributions.

7.27 INCOME FROM EXCLUDED SOURCES

For fully excluded income, HABC and the privately owned/managed sites are **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined in 24 C.F.R 5.609 (c1 –c17), as may be amended, and is income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds). HABC will accept the family's self-certification as verification of fully excluded income. HABC and the privately owned/managed sites may request additional documentation if necessary to document the income source. For example, under MTW, HABC fully excludes earned income of adult full-time students, other than the head, co-head, or spouse. In concert with this policy, HABC will not verify

earned income of adult full-time students where the income is fully excluded.

Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income excluded under the earned income disallowance). HABC or the privately owned/managed site will verify the source and amount of partially excluded income.

7.28 ZERO & MINIMAL INCOME HOUSEHOLDS

A zero-income household is one where no household member receives any income, contributions and/or benefits on his/her own behalf or on behalf of another individual in the household.

A minimal income household is one where the combined gross household income is less than $2,400 per year.

For purposes of this ACOP, families with only non-recurring income are considered zero income families.

See chapter on **REEXAMINATIONS & CONTINUED OCCUPANCY** for policies related to zero and minimal income households.

Households that report zero or minimal income may be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. If the family's expenses exceed the family's known income, HABC or the privately owned/managed site may make inquiry as to the nature of the family's accessible resources**.**

HABC or the privately owned/managed site may also review the family information to evaluate possible participation in programs such as TANF or unemployment compensation, and to provide information on social service agencies and other organizations that may be of assistance to families.

HABC or the privately owned/managed site may question the family to determine if there is unreported income and to clarify any discrepancies.

HABC or the privately owned/managed site will require the following when the household claims zero or minimal income at each successive income reexamination:

- Head or co-head of household must complete a Personal Declaration and Continued Occupancy Application.
- Completion of a zero income self-certification by each adult household member.
- EIV check to confirm that no household member has any income or in the case of a minimal income family, to verify the income reported.
- Verification of any income source received at the certification prior to the claim of zero income or minimal income. For example, if one household member, at the certification

prior to the claim of zero income, had wage income, HABC or the privately owned/managed site will verify termination of employment.

HABC will run an EIV income report every 180 days for zero income and minimal income households and will take action for unreported income.

7.29 VERIFYING MANDATORY DEDUCTIONS

Policies in this section cover verification of mandatory deductions.

7.29.1 Dependent and Elderly/Disabled Household Deductions

HABC or the privately owned/managed site will verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

7.29.2 Medical Expense Deduction

Unreimbursed medical expenses will be verified through written third-party documents provided by the family, such as pharmacy printouts or receipts. See policies related to medical expenses in the chapter on income and adjusted income. HABC or the privately owned/managed site will verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

7.29.3 Disability Assistance Expenses

HABC or the privately owned/managed site will verify that the family is eligible to deduct unreimbursed disability assistance expenses. HABC or the privately owned/managed site will allow a family to deduct unreimbursed disability assistance expenses after verifying that:

- The family member for whom the expense is incurred is a person with disabilities
- The expense permits a family member, or members, to work
- The expense is not reimbursed from another source

Attendant Care

HABC will accept written third-party documents provided by the family. If family-provided documents are not available, HABC will send a third-party verification form directly to the care provider requesting the needed information. See policies related to disability assistance expenses

in Chapter 8: Income and Adjusted Income. Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or cancelled checks; or
- Third-party verification form signed by the provider if family-provided documents are not available.
- If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Auxiliary Apparatus

Expenses for auxiliary apparatus will be verified through:

- Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months; or
- Third-party verification form signed by the provider if family-provided documents are not available.
- If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

7.29.4 Child Care Expenses

The amount of the childcare expense deduction will be verified following the standard verification procedures. HABC or the privately owned/managed site will verify that the household is eligible to deduct unreimbursed childcare expenses by verifying the following:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further the family's education.
- The costs are for an allowable type of childcare.
- The costs are reasonable.

Reasonableness of Expenses

The actual costs the family incurs will be compared with standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable. If the family presents a justification for costs that exceed typical costs in the area, HABC or the privately owned/managed site will request additional documentation, as required, to support a determination that the higher cost is

appropriate.

7.30 VERIFICATION OF IDENTITY

Adult residents will be required to present a current photo identification card (such as a current driver's license, state issued ID, student ID, etc.) to demonstrate that the adult named on birth certificate is, indeed, the resident. Copies of identification verification items must be retained in the tenant file folder.

CHAPTER 8: INCOME & ADJUSTED INCOME

8.1 INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's rent payment. HABC and the privately owned/managed sites will use the policies and methods described in this chapter to ensure that only income eligible families receive assistance and that families pay the appropriate amount as set forth in this policy and in the MTW Plan, as applicable. Once annual income has been established, HABC and the privately owned/managed sites will subtract from annual income the deductions for which a family qualifies to determine adjusted income.

8.2 MINIMUM INCOME

There is no minimum income requirement for applicants or residents in HABC's conventional public housing program. Certain privately owned sites may apply different income eligibility requirements as set forth in their approved tenant selection criteria.

8.3 ANNUAL INCOME

Annual income includes amounts anticipated to be received from a source outside the family during the 12-month period following admission or regular reexamination and includes:

- All amounts, not specifically excluded in the section of the ACOP on **ANNUAL INCOME EXCLUSIONS,** received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age;

- All amounts received by the head of household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual income regardless of age, unless otherwise excluded; and

- If the family has assets with a market value which is greater than $50,000, annual income shall include the face value of the asset times the passbook savings rate. See **MTW Policy** on **ASSET INCOME.**

Annual income includes "all amounts received," not the amount that a family **may be** legally entitled to receive but **did not**. For example, a family's child-support or alimony income must be based on payments received, not the amounts the family is entitled to receive based on any court or agency order. A copy of a court order or other written payment agreement alone may not be sufficient verification of amounts received by a family. However, when a family member's wages or benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other applicable debts, HABC use the gross amount of the income, prior to the reduction, to determine a family's annual income.

8.4 ANNUAL INCOME EXCLUSIONS

Income received by all family members must be included unless specifically excluded by the

regulations or an approved MTW waiver. Some requirements concerning excluded income depend on the household member. The chart below summarizes how household composition affects income determinations.

Household Member Type	Income Excluded
Head, spouse, co-head and adult family members	All sources of income specifically excluded by the regulations
Minor family members	All Earned income of children under the age of 18
Full-time students 18 years of age or older (who are not the head, co-head, or spouse)	All earned income
Live-in aides	Income from all sources (earned and unearned)
Foster child/foster adult	Income from all sources (earned and unearned)

Annual Income does not include the following:

1. Income from assets where the value of the family's assets is $50,000 or less. See MTW policy on **ASSET INCOME** which supersedes this regulatory requirement.

2. The following types of trust distributions:

    a) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

        i. Distributions of the principal or corpus of the trust; and

        ii. Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

    b) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

3. Earned income of children (including foster children) under the age of 18 years;

4. Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments;

5. Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation

6. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

7. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled;
8. Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively;
9. Any assistance that section 479B of the Higher Education Act of 1965, as amended, requires to be excluded from a family's income including Bureau of Indian Affairs/Education student assistance programs (see Student Financial Assistance);
    a) If the amount of this excluded assistance equals or exceeds the amount of actual covered costs described under item 10 below, none of the assistance described below is excluded as income.
    b) If the amount of this excluded assistance is less than the amount of actual covered costs described under item 10 below, staff will exclude the lower of:
        i. The total amount of student financial assistance received under item 10, or
        ii. The amount by which the actual covered costs (as described below) exceed the assistance excluded under item 9.
10. Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit, and expressly for a student who is not the head of household or spouse. (See section on Student)
    a) *Student financial assistance* means a grant or scholarship received from:
        i. The federal government;
        ii. A state, tribal, or local government;
        iii. A private foundation registered as a nonprofit;
        iv. A business entity; or
        v. An institution of higher education.
    b) *Student financial assistance* does not include:
        i. Any assistance that section 479B of the Higher Education Act of 1965, as amended, requires to be excluded from a family's income (as noted above);
        ii. Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded);

iii. Gifts, including gifts from family or friends; or

iv. Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded, exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

c) Student financial assistance must be:

i. Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution;

ii. Expressly to assist a student with the costs of higher education; or

iii. Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

d) Student financial assistance may be paid directly to the student or to the educational institution on the student's behalf.

e) The student financial assistance exclusion applies to both part-time and full-time students.

11. Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, *baby bond* accounts created, authorized, or funded by Federal, State, or local government.

12. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

13. Certain amounts received that are related to participation in the following programs:

a) Amounts received under HUD-funded training programs (i.e., Step-up program: excludes stipends, wages, transportation payments, child care vouchers for the duration of the training);

b) Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

c) Amounts received by a client in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program;

d) Amounts received under a client services stipend (not to exceed $200/month). A client service stipend is a modest amount received by a resident for performing a service for HABC or the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and client initiatives coordination; or

e) Incremental earnings and/or benefits to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with the local government), and training of family members as client management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.

14. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

15. Earned income of dependent full-time students, other than the head, co-head or spouse. Additionally, see MTW policy on **FULL TIME STUDENT INCOME EXCLUSION**

16. Adoption assistance payments Additionally, see MTW policy on **ADOPTON ASSISTANCE PAYMENTS EXCLUSION;**

17. Deferred periodic payments of Supplemental Security Income and Social Security benefits that are received in a lump sum payment or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts;

18. Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

19. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling apartment;

20. Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit;

21. Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car);

22. Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law;

23. Amounts specifically excluded by any other federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. The most recent list of exclusions was published in the *Federal Register* on January 31, 2024. See Exhibit **FEDERALLY MANDATED INCOME EXCLUSIONS.**

24. Replacement housing gap payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing *gap* payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing gap payments;

25. Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:

    a) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

    b) Direct Federal or State payments intended for economic stimulus or recovery.

    c) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.

    d) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

    e) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).

    f) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

    g) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

26. Civil rights settlements or judgments, including settlements or judgments for back pay;

27. Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any

distribution of periodic payments from such accounts shall be income at the time they are received by the family;

28. Income earned on amounts placed in a family's Family Self Sufficiency Account;
29. Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member.
    a) Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations; and
    b) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

- 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. A list of these federally mandated exclusions is included in the Appendix on **FEDERALLY MANDATED INCOME EXCLUSIONS** to this ACOP.

8.5 CALCULATING ANNUAL INCOME

MTW Policy

HABC and the privately owned/managed sites will calculate annual income by adding the income the family expects to receive during the 12-month period following the family's admission or regular reexamination effective date. Accordingly, annual income is calculated by projecting current income forward for a 12-month period.

This method of income calculation will be used for new admissions, regular, and interim reexamination. Exceptions to this policy are noted in the specific section covered for the income source.

If an estimate can be made for those families whose income fluctuates from month to month by income averaging, this estimate will be used so that the housing payment will not change from month to month.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used. The method used depends on the regularity, source, and type of income.

On the third occasion of a family reporting a reduction in income within 3 months of a scheduled reexamination, HABC will use retrospective income to calculate annual income.

8.6 KNOWN CHANGES IN INCOME

If HABC or the privately owned/managed site verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example:

An employer reports that a full-time employee who has been receiving $8/hour will begin to receive $8.25/hour in the eighth week after the effective date of the reexamination.

HABC or the privately owned/managed site would calculate annual income as follows: ($8/hour × 40 hours × 7 weeks) + ($8.25/hr. × 40 hours × 45 weeks = $2,240.00 + $14,850.00 = $17,090.00)

8.7 ROUNDING OF INCOME AND DEDUCTIONS

Generally, HABC or the privately owned/managed site will round to the nearest whole dollar at the annual calculation for each income/deduction source.

HABC or the privately owned/managed site will round as follows for the following income and deductions:

- Social Security Income
    - When the Social Security benefit letter states that the monthly benefit is rounded down to the whole dollar, HABC or the privately owned/managed site will calculate annual income by using the **full monthly** (not rounded down) benefit before any deductions and round at the final annual calculation. The benefit letter is only to be used when Enterprise Income Verification (EIV) is not available or the resident disputes EIV.

- Applying the Cost-of-Living Adjustment (COLA) to Social Security and Supplemental Security Income
    - When the EIV report does not yet contain the benefit for the upcoming year and where HABC or the privately owned/managed site is required to apply the COLA for the upcoming year, HABC or the privately owned/managed site will apply the COLA to the current monthly benefit and will use the full monthly benefit to calculate income. For example, if the current Social Security benefit is $560/month and the COLA is 1.7%, HABC or the privately owned/managed site would increase the monthly benefit of $560/month benefit by 1.7% to $569.52 and would then multiply $569.52 times 12 to get the annual income. The rounding would occur at the annual calculation $6834.

- With respect to other income/deduction verification sources, HABC and the privately owned/managed sites will follow the instructions for rounding set forth in the verification document to calculate annual income and/or deductions.

8.8 STUDENT FINANCIAL ASSISTANCE

There are two types of student financial assistance applicable to Public Housing which are described below.

- Amounts Received Under Section 479B of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1087uu)
    - Section 479B provides that certain types of student financial assistance are to be excluded in determining eligibility for benefits made available through federal, state, or local programs financed with federal funds.
    - The types of financial assistance listed below are considered 479B student financial assistance programs; however, this list is not exhaustive, and 479B will be updated as of July 1, 2024.
        - Federal Pell Grants;
        - Teach Grants;
        - Federal Work Study Programs;
        - Federal Perkins Loans;
        - Student financial assistance received under the Bureau of Indian Education;
        - Higher Education Tribal Grant;
        - Tribally Controlled Colleges or Universities Grant Program;
        - Employment training program under section 134 of the Workforce Innovation and Opportunity Act (WIOA).

Other student financial assistance means a grant or scholarship received from one of the entities below. Other student financial assistance may be paid directly to the student or to the educational institution on the student's behalf. HABC must verify that the other student financial assistance is for the student's actual covered costs.

- The Federal government;
- A State, Tribe, or local government;
- A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3)
- A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or

- An institution of higher education.

Student financial assistance does NOT include:

- Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded pursuant to paragraph a. of this section.
- Gifts, including gifts from family or friends; or
- Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph a. of this section, exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

All assistance received under 479B of the HEA by students participating in the Public Housing is excluded from income. Other student financial assistance received by the student that, either by itself or in combination with HEA assistance, exceeds the actual covered costs is not excluded from income.

Actual covered costs include:

- tuition,
- books,
- supplies (including supplies and equipment to support students with learning disabilities or other disabilities),
- room and board, and
- fees required and charged to a student by an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1087uu)).
- For a student who is not the head of household, co-head, or spouse, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Calculating Student Financial Assistance

If the amount of assistance received under section 479B of the HEA exceeds the actual covered costs and the student did not receive any other student financial assistance, then only a one step calculation is completed - none of the student financial assistance will be included in income, because the assistance received under section 479B of the HEA is excluded from income.

Step 2: Subtract the actual covered costs exceeding section 479B assistance from the amount of other student financial assistance to arrive at the amount of student financial assistance included in income.

Step 2 requires the amount of other student financial assistance received by the student to be subtracted from the amount of actual covered costs paid by other means.

- If the resulting number in Step 2 is a positive amount, then that is the amount that should be included in the family's income.

- If the resulting number in Step 2 is zero or a negative amount, then there will be no student financial assistance included in income (i.e., all student financial assistance is excluded from annual income).

Example #1:

Juan is a full-time student, and he received the following grants and scholarships to cover his first year of college: Federal Pell Grant: $25,000; University Scholarship: $15,000; Rotary Club Scholarship: $3,000.

<table>
<tr><td>Total assistance received under 479B of HEA: $25,000 (Federal Pell Grant)

Total other student financial assistance received: $18,000</td><td>Juan's actual covered costs: $28,000</td></tr>
<tr><td>Step 1: Determine amount of actual covered costs exceeding section 479B assistance.

$28,000 (actual covered costs) minus $25,000 (total assistance received under 479B of HEA) equals $3,000</td><td>Step 2: Determine amount of student financial assistance to include in income.

$18,000 (other student financial assistance received) minus $3,000 (actual covered costs exceeding section 479B assistance) equals $15,000 (if negative, then use $0)</td></tr>
<tr><td colspan="2">Amount of student financial assistance included in Juan's income: $15,000</td></tr>
</table>

Example #2:

<table>
<tr><td colspan="2">Sarah is a part-time student, and she received the following amounts to cover her first year of college: Federal Perkins Loan: $2,000; Scholarship from Local Car Dealership: $500; Gift from Aunt Lois: $1,000.

The $1,000 is a gift from Aunt Lois, so it is not considered student financial assistance, and it is not considered in this calculation. Note: If Aunt Lois gives Sarah the $1,000 gift as a one-time, lump-sum payment, it would be excluded from income under 24 CFR § 5.609(b)(24)(vii).</td></tr>
<tr><td>Total assistance received under 479B of HEA: $2,000 (Federal Perkins Loan)

Total other student financial assistance received: $500

Total non-student financial assistance: $1,000

Total student financial assistance: $2,500</td><td>Sarah’s actual covered costs: $3,000</td></tr>
<tr><td>Step 1: Determine amount of actual covered costs exceeding section 479B assistance.

$3,000 (actual covered costs) minus $2,000 (total assistance received under 479B of HEA) equals $1,000</td><td>Step 2: Determine amount of student financial assistance to include in income.

$500 (other student financial assistance received) minus $1,000 (amount of actual covered costs exceeding section 479B assistance) equals –$500 (if negative, then use $0)</td></tr>
<tr><td colspan="2">The amount of student financial assistance received by Sarah is less than her actual covered costs after deducting assistance received under 479B of the HEA and other student financial assistance received, therefore there is no student financial assistance to include in income.

Amount of student financial assistance included in Sarah’s income: $0</td></tr>
</table>

Example #3:

Dante is a full-time student, and he received the following amounts to cover his first year of college: Federal Pell Grant: $9,000; Federal Perkins Loan: $13,000; Local Library Scholarship: $1,000.

<table>
<tr><td>Total assistance received under 479B of HEA: $22,000 (Federal Pell Grant plus Federal Perkins Loan)

Total other student financial assistance received: $1,000</td><td>Dante’s actual covered costs: $16,000</td></tr>
<tr><td>Step 1: Determine amount of actual covered costs exceeding section 479B assistance.

$16,000 (actual covered costs) minus $22,000 (total assistance received under 479B of HEA) equals $–6,000</td><td>Step 2: Determine amount of student financial assistance to include in income.

Not necessary because Step 1 resulted in a negative amount, so all other student financial assistance would be included in Dante’s income</td></tr>
<tr><td colspan="2">Amount of student financial assistance included in Dante’s income: $1,000</td></tr>
</table>

8.9 EARNED INCOME

Earned income means income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

8.10 WAGES

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income.

For persons who regularly receive bonuses or commissions, HABC and the privately owned/managed sites will average amounts received for the year preceding admission or reexamination. See **FULL TIME STUDENT INCOME EXCLUSION.**

8.11 BUSINESS INCOME

Annual income includes the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income.

An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations.

Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

Business Expenses

Net income is "gross income less business expense." To determine business expenses that may be deducted from gross income, HABC or the privately owned/managed site will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance.

Business Expansion

HUD regulations do not permit HABC or the privately owned/managed sites to deduct from gross income expenses for business expansion.

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

8.12 NON-RECURRING INCOME

Income that will not be repeated beyond the coming year (e.g. the 12 months following the effective date of the certification), based on information provided by the family, is considered non-recurring income and is excluded from annual income. Examples of non-recurring income include:

- Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

- Direct Federal or State payments intended for economic stimulus or recovery.

- Amounts directly received by the family because of State refundable tax credits or State tax refunds at the time they are received.

- Amounts directly received by the family because of Federal refundable tax credits and Federal tax refunds at the time they are received.

- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).

- Non-monetary, in-kind donation such as food, clothing, or toiletries, received from a food bank or similar organization.

- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

8.13 GUARANTEED INCOME EXCLUSION

MTW Policy

HABC will exclude 100% of income received from HABC reviewed and approved guaranteed income programs which is paid to support financial stability and economic equality.

8.14 ADOPTON ASSISTANCE PAYMENTS EXCLUSION

MTW Policy

HABC will exclude 100% of adoption assistance payments.

8.15 MILITARY PAY

All regular pay, special pay, and allowances of a member of the Armed Forces are considered income except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

8.16 ALIMONY AND CHILD SUPPORT

If the amount of child support or alimony received is less than the amount awarded by the court, HABC or the privately owned/managed site will use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

HABC or the privately owned/managed site will accept as verification that the family is receiving an amount less than the award if HABC or the privately owned/managed site receives verification from the agency responsible for enforcement or collection.

It is the family's responsibility to supply a certified copy of the divorce decree or other court documents reflecting alimony awarded by the court or verification from the court or agency responsible for enforcing child support payments reflecting the amount of child support payments awarded.

8.17 CHILDREN'S EARNINGS

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income.

8.18 INCOME OF A LIVE-IN AIDE

Income earned by a live-in aide, as defined in 24 CFR 5.403, is not included in annual income.

8.19 INCOME OF FOSTER CHILDREN AND FOSTER ADULTS

Annual income does NOT include any income from foster children or foster adults.

8.20 SEASONAL INCOME

MTW Policy

People in some occupations regularly work less than 12 months per year, i.e., school employees, agricultural workers, and construction workers. To determine annual income for individuals who have seasonal income, HABC or the privately owned/managed site will use past actual income received or earned within the last 12 months of the determination date. **Therefore, interim reexaminations will not be completed when circumstances change.** Documentation may include, but is not limited to UIV, EIV, W-2 forms, and tax returns.

Example:

Mary is a teacher with the ABC school district, earning $2,000 per month. She works for nine months a year. At the time of her regular reexamination, Mary is not working. HABC or the privately owned/managed site runs an EIV income report which has the actual income earned for the prior year. The EIV income report shows income of $24,053 for the prior year. Mary received $20,000 for her job as a teacher and collected $4,053 in unemployment the prior year. HABC or the privately owned/managed site would use $24,053 as her income for the upcoming certification.

8.21 INCOME OF PERSON PERMANENTLY CONFINED TO 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 or the privately owned/managed site will conduct an interim reexamination, remove the income and medical expenses of the family member permanently living in a nursing home and re-calculate the Total Tenant Payment. HABC or the privately owned/managed site will remove the individual from the household.

8.22 INCOME OF A PERSON MOVING INTO PUBLIC HOUSING FROM A NURSING HOME

If a family member is admitted to public housing upon release from a nursing home, rehabilitation center, or other healthcare or assisted living facility, and verifies a reduced Supplemental Security Income or Old Age Survivors Disability Income (OASDI) income from Social Security; HABC or the privately owned/managed site will annualize the current income and conduct an interim reexamination within 90 calendar days of the date of admission. If within the 90 calendar days, the resident experiences an increase in income from the Social Security Administration, HABC or the privately owned/managed site will process an increase in rent between the regularly scheduled reexaminations.

8.23 INCOME OF TEMPORARILY ABSENT FAMILY MEMBERS

The income of family members approved to live in the apartment will be counted, even if the family member is temporarily absent from the apartment. See policies on Temporarily Absent family members for definition of Temporarily Absent.

8.24 INCOME OF NEW FAMILY MEMBERS ADDED TO THE LEASE

HABC or the privately owned/managed site will process an increase in rent between regularly scheduled reexaminations when the household size increases due to the addition of an adult household member approved by HABC and, where the addition is to a household living in a privately owned/managed site. Requests for the addition of a new member to the household must be approved by HABC and, where the addition is to a household living in a privately owned/managed site, by that site, prior to the actual move-in by the proposed new member. The addition of a family member will not result in re-examination of the income of the other family members. Rather, the re-examination of the income of the other family members will occur during the next regularly scheduled review.

8.25 WAGES FROM EMPLOYMENT WITH THE HABC OR A RESIDENT ORGANIZATION

Upon employment with HABC or a privately owned/managed site, or an officially recognized resident organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

8.26 RETIREMENT FUNDS

HABC will exclude income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals.

Any distribution of periodic payments from such accounts shall be income at the time they are received by the family.

8.27 INCOME EARNED UNDER CERTAIN FEDERAL PROGRAMS

See **FEDERALLY MANDATED INCOME EXCLUSIONS**, items 2, 8, 9, 15, and 18.

8.28 RESIDENT SERVICE STIPEND

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed $200 per individual per month) received by a resident for performing a service for HABC or the privately owned/managed site, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of HABC's governing board. No resident may receive more than one such stipend during the same period.

8.29 HUD, STATE AND LOCAL EMPLOYMENT TRAINING PROGRAMS

Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff.

Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program unless those amounts are excluded under the regulations regarding assistance of the Higher Education Act of 1965.

HABC and privately owned/managed sites define training program as "a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency." Training may include, but is not limited to:

- Classroom training in a specific occupational skill,
- On-the-job training with wages subsidized by the program, or
- Basic education.

HABC and the privately owned/managed sites define incremental earnings and benefits as the difference between the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and the total amount of welfare assistance and earnings of the family member after enrollment in the program.

In calculating the incremental difference, HABC or the privately owned/managed site will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the family's most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with HABC's or the privately owned/managed site's interim reporting requirements.

All other amounts (such as child support and alimony) are treated in the usual manner in determining annual income. Child support, or other income that is not *earnings or benefits,* is not a factor and will not be considered in regard to training income exclusions, regardless of whether they have increased or decreased.

If a family has members who enroll in training programs at different times, the exclusion may be taken at different periods. The rules will be applied individually to each member based on which type of program they are enrolled in.

Employment Before Completion of Training Program

A resident who has substantially completed a training program to accept a job offer will be eligible

for the 18-month exclusion of income.

"Substantial completion" of a training program is completion of 75% of the program.

If a resident has completed that portion of the training program necessary to get a job and continues simultaneously with the training program, the 18-month exclusion period will begin on the date the resident started the new job, not the date the resident completes the training program.

The resident is not required to get a job that is directly related to the training program to be eligible for the exclusion.

Other Factors to Be Considered

For self-employed residents, HABC and privately owned/managed sites will exclude only the net income of a resident when factoring the earnings.

The resident is required to notify HABC or the privately owned/managed site within 10 working days of enrolling in a qualifying training program.

Residents who have a decrease in income because of enrolling in a training program may request an interim examination. HABC or the privately owned/managed site will determine the decrease in incremental income because of the training program and adjust the resident's rent accordingly.

Residents who do not notify HABC or the privately owned/managed site within 10 working days of starting a training program, and have a decrease in income, will not have their rent adjusted retroactively.

~~**HUD Funded Training Programs**~~

~~Amounts received under training programs funded in whole or in part by HUD are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.~~

~~To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.~~

8.30 EARNED INCOME TAX CREDIT

Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

8.31 LUMP-SUM RECEIPTS

Lump-sum additions to family assets (i.e., inheritances, insurance payments inclusive of 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.

Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income.

To determine the amount of retroactive resident rent that the family owes because of the lump sum receipt, HABC or the privately owned/managed site will always calculate retroactively to date the lump sum payment was intended to cover.

8.32 IMPUTED WELFARE INCOME

HABC or the privately owned/managed site will not reduce the public housing rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in welfare benefits due to:

- Fraud by a family member in connection with the welfare program; or
- Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

A "specified welfare benefit reduction" does not include a reduction of welfare benefits due to:

- The expiration of a lifetime time limit on receiving benefits.
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment (an example: the family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose its welfare benefits);
- Noncompliance with other welfare agency requirements.

Definition of "Covered Family"

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 family member in an economic self-sufficiency program.

Definition of Imputed Welfare Income

The amount of annual income, not actually received by a family, because of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent is considered imputed welfare income.

The amount of imputed welfare income is determined by HABC or the privately owned/managed

site, based on written information supplied to HABC or the privately owned/managed site 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 benefit reduction.

Imputed welfare income will be included at regular and interim reexaminations during the term of reduction of welfare benefits.

The amount of imputed welfare income will be 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 income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

Verification Before Denying a Request to Reduce Rent

HABC or the privately owned/managed site will obtain written verification from the welfare agency stating that the family's benefits have been reduced because of fraud or noncompliance *before* denying the family's request for rent reduction. HABC or the privately owned/managed site will rely on the welfare agency's written notice to HABC or the privately owned/managed site regarding welfare sanctions.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and HABC denies the family's request to modify the amount, HABC will provide the resident with a notice of denial, which will include:

- An explanation for HABC's determination of the amount of imputed welfare income.
- A statement that the resident may request a grievance hearing.
- A statement that the information received from the welfare agency cannot be disputed at the grievance hearing, and the issue to be examined at the grievance hearing will be HABC's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.

If the resident requests a grievance hearing, the resident is not required to pay an escrow deposit for the portion of resident rent attributable to the imputed welfare income.

8.33 TREATMENT OF OVERPAYMENT DEDUCTIONS FROM SS BENEFITS

When the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount, HABC or the privately owned/managed site will perform an interim rent calculation until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld.

Regardless of the amount withheld or the length of the withholding period, HABC or the privately owned/managed site will use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.

This policy applies only to SSA overpayments and not to overpayments made and recouped from other providers.

8.34 FULL TIME STUDENT INCOME EXCLUSION

MTW Policy

HABC will exclude all adult, full-time student earned income, excluding the head of household, co-head, or spouse. HABC will not verify adult full-time student income as 100% of the earned income is excluded.

8.35 ASSET INCOME

MTW Policy

Using its MTW authority, HABC will exclude income from assets where the market/face value of the asset is up to $50,000. When the market/face value of a family's assets is more than $50,000, HABC will calculate asset income by taking the market/face value of the family's assets and multiplying that value by the established passbook savings rate.

There are two terms that are important in calculating asset income – Market Value and Cash Value.

Market Value is the face value of an asset (i.e., the value of a Certificate of Deposit).

The Cash Value of an asset is the Market Value less reasonable expenses that would be incurred in selling or converting the asset to cash, such as the following:

- Penalties for premature withdrawal.
- Broker and legal fees; and
- Settlement costs for real estate transactions.

8.35.1 Net Cash Value Family Assets

The net cash value of all assets owned by the family is the amount, after deducting reasonable cost,

that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

In determining net family assets, include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore.

In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms.

Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

MTW Policy

HABC uses, market (face) value of assets to determine asset value and income on assets.

8.36 ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

HABC and the privately owned/managed sites will count assets disposed of for less than fair market value during the two years preceding certification or reexamination. HABC and the privately owned/managed sites will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two years.

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

HABC's and the privately owned/managed sites' minimum threshold for counting assets disposed of for less than Fair Market value is $5,000.00. If the total value of assets disposed of within the two-year period is less than $5,000.00, they will not be considered an asset.

8.37 CHECKING AND SAVINGS ACCOUNTS

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

- In determining the value of a savings or checking account, HABC or the privately owned/managed site will use the current balance.

- In determining the anticipated income from an interest-bearing checking or savings account, HABC or the privately owned/managed site will multiply the value of the account by the current rate of interest paid on the account.

8.38 INVESTMENT ACCOUNTS SUCH AS STOCKS, BONDS, SAVING CERTIFICATES, AND MONEY MARKET FUNDS

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, HABC or the privately owned/managed site will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on if the rate of return is known.

For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), HABC or the privately owned/managed site will calculate asset income based on the earnings for the most recent reporting period.

8.39 LIFE INSURANCE

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets.

The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amounts of dividends or interest is counted as income from the asset whether the family receives it or not.

8.40 PASSBOOK SAVINGS RATE

HUD will annually publish a passbook rate based on the Federal Deposit Insurance Corporation (FDIC) National Deposit Rate for savings accounts, which is an average of national savings rates published on a monthly basis. HABC will use the HUD-published passbook rate when calculating imputed asset income for families with assets that exceed $50,000.

8.41 ADJUSTED INCOME

Adjusted income is calculated by subtracting allowable deductions and allowances from annual income.

8.42 DEDUCTIONS

In determining adjusted income, HABC and the privately owned/managed sites will deduct the

following amounts from annual income:

1) 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 18 or who is 18 or older and is a person with disabilities or a full-time student. This amount may be adjusted annually by HUD in accord with the CPI for urban wage earners and clerical workers, rounded to the next lowest multiple of $25. Foster children, foster adults, and live-in aides are never considered dependents.

2) "Elderly" allowance: $400 per household for families whose head or spouse is 62 or over or are persons with disabilities. A single deduction of $400 is taken for the family.

3) Allowable unreimbursed health and medical expenses for all family members are deducted for elderly families and families whose head, spouse, or co-head is a person with a disability. Medical deductions will only be allowed to the extent that the sum exceeds three percent (MTW policy) of the annual income.

4) Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work, actively seek work, or attend school (including vocational training).

5) Childcare expenses for children under 13 are deducted when childcare is necessary to allow an adult family member to work or further his or her education or actively seek work, or attend school (including vocational training).

8.43 HEALTH & MEDICAL EXPENSE DEDUCTION

Health and medical care expenses are any costs incurred in the diagnosis, cure, mitigation, treatment or prevention of disease, or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.

MTW Policy

Unreimbursed health and medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent (3%) of gross annual income.

The health and medical expense deduction is permitted only for families in which the head, spouse, or co-head is elderly or is a person with a disability. If a family is eligible for a health and medical expense deduction, the health and medical expenses of all family members are counted.

“Health and Medical expenses” include medical insurance premiums that are anticipated during the period for which annual income is computed, and which is not covered by insurance and unreimbursed medical expenses which were paid for the prior year. See MTW policy on Medical Expense Deduction.

The most current IRS Publication 502, Medical and Dental Expenses, will be used to assist in determining the costs that qualify as health and medical expenses; however HABC will review each expense to determine whether it is eligible in accordance with HUD's definition of health and medical care expenses. Over-the-counter products will not be eligible for deductions as medical expenses unless they are accompanied by a doctor's prescription.

Summary of Allowable Health and Medical Expenses from IRS Publication 502 which are consistent with HUD's definition of health and medical care expenses.

• Services of medical professionals • Surgery and medical procedures that are necessary, legal, non-cosmetic • Services of medical facilities • Hospitalization, long-term care, and in-home nursing services • Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor • Improvements to housing directly related to medical needs (i.e., ramps for a wheelchair, handrails)	• Substance abuse treatment programs • Psychiatric treatment • Ambulance services and some costs of transportation related to medical expenses • The cost and care of necessary equipment related to a medical condition (i.e., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) • Cost and continuing care of necessary service animals • Medical insurance premiums or the cost of a health maintenance organization (HMO)

Note: This chart provides a summary of eligible medical expenses only. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.

MTW Policy

HABC calculates health and medical expenses for eligible participants using past paid, unreimbursed expenses in addition to prospective medical insurance premiums. Over the counter medications will not qualify for a deduction unless accompanied by a prescription and paid receipts.

8.44 DISABILITY ASSISTANCE EXPENSE DEDUCTION

Reasonable expenses for attendant care and auxiliary apparatus for each member of the family who is a person with a disability may be deducted if they:

- Are necessary to enable a family member, including the member with the disability, who I 18 years or older to be employed. actively seek work, or attend school (including vocational training);

- Are not paid to a family member or reimbursed by an outside source.
- Do not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus who is enabled to work.

MTW Policy

Disability Assistance Expenses may be deducted according to the parameters above and if, in combination with any medical expenses, they exceed three percent of gross annual income.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work, actively seek work, or attend school (including vocational training).

The disability expense deduction is capped by the amount of "earned income received by family members who are 18 years of age or older and who are able to work" because of the expense. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

The family must identify the family members enabled to work, actively seek work, or attend school (including vocational training) because of the disability assistance expenses. In evaluating the family's request, HABC or the privately owned/managed site will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work, actively seek work, or attend school (including vocational training).

When HABC or the privately owned/managed site determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members' incomes.

Eligible Disability Expenses

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost-of-service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included as an eligible expense.

Eligible Attendant Care

The family identifies and HABC or the privately owned/managed site verifies the type of attendant care that is appropriate for the person with disabilities. Attendant care includes, but is not limited

to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, the cost of personal services necessary to enable the person with disabilities to work is an eligible expense.

Disability Expense Payments to Family Members

No disability expenses may be deducted for payments to a member of a resident family. However, expenses paid to a relative who is not a member of the resident family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family identifies and HABC or the privately owned/managed site verifies the type of care or auxiliary apparatus to be provided. The family must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid for or reimbursed by any other source.

8.45 CHILD CARE EXPENSE DEDUCTION

Childcare expenses are amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household.

Determining Who Is Enabled to Pursue an Eligible Activity

The family must identify the family member(s) enabled to pursue an eligible activity to receive the childcare deduction.

In evaluating the family's request, HABC or the privately owned/managed site will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the childcare expense being claimed.

Furthering Education

If the childcare expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the childcare claimed.

Being Gainfully Employed

If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that childcare is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers his or her education, the amount that may be deducted for childcare will be based on Department of Social Services purchase of care rates. However, when childcare enables a family member to work, the deduction is capped by the amount of employment income that is included in annual income. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the childcare expense being claimed is to enable a family member to work, only one family member's income will be considered at a time.

Eligible Child Care Expenses

The type of care to be provided is determined by the resident family. HABC or the privately owned/managed site will not refuse to give a family the childcare expense deduction because there is an adult family member in the household that may be available to provide childcare.

Allowable Child Care Activities

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (i.e., summer day camp, after-school sports league) are allowable forms of childcare.

The costs of general housekeeping and personal services are not eligible. Likewise, childcare expenses paid to a family member who lives in the family's apartment are not eligible; however,

payments for childcare to relatives who do not live in the apartment are eligible.

Necessary and Reasonable Costs

Childcare expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the childcare provider verifies, that the expenses are not paid or reimbursed by any other source. Childcare expenses will be considered for the time required for the eligible activity plus reasonable transportation time.

To establish the reasonableness of childcare costs, HABC or the privately owned/managed site will use the schedule of childcare costs from the Department of Social Services. Families may present, and HABC will consider, justification for costs that exceed typical costs in the area.

CHAPTER 9: CALCULATING TOTAL TENANT PAYMENT & RENT

9.1 INTRODUCTION

The accurate calculation of annual income and adjusted income will ensure that families are paying the correct amount of rent pursuant to applicable regulations and the MTW Plan. This chapter defines the allowable deductions from annual income and how the presence or absence of household members may affect the total tenant payment (TTP) and resident rent.

9.2 TOTAL TENANT PAYMENT FORMULA (TTP) FOR INCOME BASED RENT

TTP is the highest of the following amounts:

- 30 percent of the family's monthly adjusted income
- 10 percent of the family's monthly gross income
- The minimum rent
- Welfare rent (does not apply at HABC)

For NPHOI families, the TTP is the Alternative Public Housing Rent.

9.3 ALTERNATIVE RENT FOR NON-PUBLIC HOUSING OVER-INCOME FAMILIES

Families who exceed the over-income limit for twenty-four consecutive months and who remain in public housing are referred to as Non-Public Housing Over-Income (NPHOI) families. The alternative rent for a NPHOI family will be the higher of:

- Applicable fair market rent (FMR) for the unit size occupied by the family; or
- Amount of monthly subsidy provided for the unit which HUD will publish each year by December 31st.

The amount of the monthly subsidy will be determined by adding the per unit assistance provided to the housing property as calculated through the applicable formulas for the Public Housing Capital Fund and Public Housing Operating Fund.

NPHOI families are not entitled to a utility allowance and will not have the option of an income based or flat rent.

Over-Income rules apply to all public housing program families including families in the FSS program and families receiving the Earned Income Disregard.

Mixed families who are NPHOI pay the alternative rent; however, there is no proration of the rent.

During the 24 consecutive month grace period, and in the 6 months before termination, the family will continue to pay their current rent choice (i.e., the family's choice of income-based or flat rent,

or the prorated rent for mixed families).

See policies on **OVER-INCOME FAMILIES.**

9.4 MINIMUM RENT

HABC and/or the privately managed sites may establish a minimum rent. HABC has a minimum rent of twenty-five ($25) dollars. There are privately owned sites that have an approved minimum rent that exceeds zero. Where a minimum rent is established, residents will be required to pay at least the amount established as the minimum rent. HABC and the privately managed sites may grant an exemption due to financial hardship as defined in this chapter. **FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT**

9.5 FLAT RENTS

Flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient. Changes in family income, expenses, or composition do not affect the flat rent amount because it is outside the income-based formula.

Flat rents are not available to NPHOI families, nor is the opportunity to switch from an income-based rent to a flat rent.

HABC and the privately owned/managed sites that have public housing units shall provide each family residing in a public housing unit that is eligible for a flat rent, during the regular reexamination the choice to pay:

- Income based rent; or
- HABC-established flat rent.

HABC and the privately owned/managed sites that have public housing units will provide sufficient information to families to make an informed choice, including the policy on changing from flat rent to income-based rent due to financial hardship and the dollar amount of the rent under each option. Policies related to reexamination of families paying flat rent are contained in Chapter 13 (Reexaminations and Continued Occupancy).

9.5.1 Establishing Flat Rents

For each public housing unit, HABC will set the flat rent amount at no less than eighty percent (80%) of the applicable HUD Fair Market Rent (FMR) adjusted, if necessary, to account for reasonable utility costs.

9.5.2 Review of Flat Rents

No later than 90 days after the effective date of the new annual FMRs, HABC will implement new flat rents as necessary based on the necessary changes to the FMR.

HABC will offer changes to the flat rent to all new admissions and to existing families at the next regular reexamination.

9.5.3 Posting of Flat Rents

HABC will publicly post the schedule of flat rents in HABC's central office and in each of the development management offices and the privately owned/managed sites that have public housing units will publicly post the schedule of the flat rents in their management offices.

9.5.4 Documentation of Flat Rents

HABC will maintain records that document the method used to determine flat rents, and that show how flat rents were determined by HABC in accordance with this method.

9.5.5 Phasing In Flat Rents Increases

If an existing flat rent tenant's rental payment prior to any applicable adjustments for utilities payments increases by more than 35 percent as a result of changes to the flat rent amount, the increase must be phased-in such that a family does not experience an increase in their rental payment of more than 35 percent.

If HABC determines that the updated flat rent amount would increase a household's rental payment by more than 35 percent, the family may choose to pay the capped flat rent amount (capped at 35%) or the previously calculated income-based rent.

Example: Capped flat rent in year one and scenario in year 2 where no cap was needed.

Year	Initial Household	New Flat Rent Amount	Impact Analysis (HR x 1.35)	Income-Based Rent	New Household
1	$500	$700	$675	$800	$675
2	$675	$750	$911.25	$800	$750

9.5.6 Applying Flat Rents

HABC will apply updated flat rents at each family's annual flat rent update.

9.5.7 Changing from Flat Rent to Income-Based Rent Due to Hardship

A family can opt to change from flat rent to income-based rent if they are unable to pay the flat rent due to financial hardship. All hardship situations will be verified.

Upon determination by HABC or a privately owned/managed site that a financial hardship exists, HABC or the privately owned/managed site will allow a family to change from flat rent to income-based rent effective the first of the month following the family's approved request.

If a family changes from flat rent to an income-based rent due to a financial hardship, the family will not be offered the option to change back to flat rent until the next regular reexamination.

Reasons for financial hardship include:

- The family has experienced a decrease in income that will last at least 120 days because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance that would affect the rent calculation.

- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, childcare, transportation, education, or similar items that would affect the rent calculation; or

- Such other situations determined by HABC or the privately owned/managed site as appropriate because they would affect the rent calculation.

9.5.8 Flat Rent and Transfers

When a family has chosen to pay a flat rent and is being transferred to a unit that has a higher or lower flat rent amount, the family will be given a choice to select a rent option.

9.5.9 Prorated Assistance for Mixed Families

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

In calculating public housing rents for mixed families, HABC will use the established flat rent applicable to the units.

This section does not apply to mixed families who are Non-Public Housing Over-Income families.

HABC will complete the following steps when calculating rent for mixed families:

- Step 1. Determine the total tenant payment in accordance with 24 CFR §5.628. (Annual income includes income of all family members, including any family member who has not established eligible immigration status.)

- Step 2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.

- Step 3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible (“family maximum subsidy”).

- Step 4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status ("eligible family member"). The subsidy per eligible family member is the "member maximum subsidy."

- Step 5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status ("eligible family members"). The product of this calculation is the "eligible subsidy."

- Step 6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.

- Step 7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent.

When the mixed family's TTP is greater than the maximum rent, HABC will use the TTP as the mixed family TTP. This method of prorating assistance applies to new admissions and regular reexaminations after the effective date of the regulation.

The following tables provide examples of mixed family rent calculation.

Example 1: Family of 4 with an annual income of $20,000, and one family member that is not eligible to receive subsidy. The flat rent is $600. The applicable utility allowance is $100 per month.

Steps	**Mixed Family Rent Calculation (Example)**
Step 1: Determination of TTP	$500
Step 2: Determination of Maximum Rent	Applicable flat rent
Step 3: Determination of Family Maximum Subsidy	$600 – $500 = $100
Step 4: Determination of Member Maximum Subsidy	$100 \ 4 = $25
Step 5: Determination of Eligible Subsidy	3 * $25 = $75
Step 6: Determination of Mixed-Family TTP	$600 – $75 = $525
Step 7: Determination of Mixed-Family Rent	$525 – $100 = $425

Example 2: Family of 4 with an annual income of $20,000 and one family member that is not eligible to receive subsidy. The flat rent is $480. The applicable utility allowance is $100 per month.

Steps	Mixed Family Rent Calculation (Example)
Step 1: Determination of TTP	$500
Step 2: Determination of Maximum Rent	Applicable flat rent
Step 3: Determination of Family Maximum Subsidy	$480 – $500 = ($20)
Step 4: Determination of Member Maximum Subsidy	($20) / 4 = ($5)

9.6 MAXIMUM RENT AT PRIVATELY OWNED/MANAGED SITES

Privately owned/managed sites may have maximum rents that are lower than the flat rents. When the maximum rent is lower than the flat rent, the resident will be given the choice between the income-based rent and the maximum rent for the unit instead of the flat rent.

9.7 FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT

All sites have established a minimum rent and will grant an exemption from the minimum rent if a family can document that they are unable to pay the minimum rent because of a long-term hardship, which is a hardship that will last more than 90 days. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption.

All sites will notify all families at time of lease-up of their right to request a minimum rent hardship exemption. Such notification will advise the family that the determination regarding a financial hardship exemption is subject to the grievance policy and procedures in effect at the site.

Sites will review all resident requests for exemption from the minimum rent due to financial hardships.

Situations under which residents would qualify for the minimum rent hardship exemption are limited to the following:

- The family has lost eligibility for or is applying for an eligibility determination for a Federal, State, or local assistance program. This includes a family member who is a non-citizen lawfully admitted for permanent residence under the Immigration and Nationality

Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

- The family would be evicted because of the imposition of the minimum rent requirements.
- The income of the family has decreased because of changed circumstances, including loss of employment.
- A death in the family that affects the rent calculation has occurred. To qualify under this provision, a family must describe how the death has created a financial hardship (i.e., because of funeral-related expenses or the loss of the family member's income).

To qualify for a minimum rent hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

9.7.1 Determination of Minimum Rent Hardship Exemption

When a family requests a minimum rent hardship exemption, sites will suspend the minimum rent requirement beginning the first of the month following the family's request. Such sites will then determine whether the financial hardship exists and whether the hardship is temporary or long-term.

HABC defines temporary hardship as a hardship expected to last 90 days or less. Long term hardship is defined as a hardship expected to last more than 90 days.

Where an approved hardship exists, HABC will notify the family, in writing, of the change in determining income and rent resulting from the hardship. Such notice will include the adjusted income, family rent, hardship start date and hardship expiration date (where applicable).

9.7.2 No Financial Hardship

If a site determines there is no minimum rent financial hardship, the site will reinstate the minimum rent and require the family to repay the amounts suspended.

The site will require the family to repay the suspended amount within 30 calendar days of the site's notice that a hardship exemption has not been granted.

9.7.3 Temporary Hardship

If a site determines that a qualifying minimum rent financial hardship is temporary, the site will suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay HABC the amounts suspended. HABC may offer a reasonable repayment agreement, on terms and conditions established by HABC. HABC may also determine that circumstances have changed, and the hardship is now long-term.

The family must resume payment of the minimum rent and must repay the site the amounts suspended in accordance with the site's repayment agreement policy.

9.7.4 Long-Term Hardship

If a site determines that the minimum rent financial hardship is long-term, the site will exempt the family from the minimum rent requirement for so long as the hardship continues. The minimum rent hardship exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the minimum rent financial hardship has been determined to be long-term, the family is not required to repay the minimum rent. Families approved for the exemption from minimum rent are required to re-verify the financial hardship every 120 days.

The minimum rent hardship period ends when the family's calculated TTP is greater than the minimum rent.

For minimum rent hardship conditions based on loss of income, the minimum rent hardship condition will continue to be recognized until new sources of income are received to enable the family to pay at least the minimum rent.

For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

When the minimum rent is suspended, the resident rent reverts to the highest of the remaining components of the calculated TTP.

9.8 UTILITY ALLOWANCES

This section addresses utility allowances for families who pay utilities directly to the utility company and who live in units with utilities furnished by HABC or a privately owned/managed site, and excessive consumption charges. The utility allowances established by HABC apply to the privately owned/managed sites.

Utility allowances (UAs) are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, HABC will use the utility allowance applicable to the type of dwelling unit leased by the family.

Utility allowances are not provided to Non-Public Housing Over Income families.

9.8.1 Establishing the Utility Allowances

HABC will establish allowances for HABC-furnished utilities for all individually metered utilities and for all utilities purchased directly by residents from a utility supplier. HABC charges for excess consumption of HABC-furnished utilities where sub-metering is in place for individual units.

HABC will maintain a record that documents the basis on which utility allowances are established and revised, and the record will be made available for inspection by residents.

HABC will establish separate allowances for each utility. The objective of HABC in establishing utility allowances for each dwelling unit category and unit size is to approximate a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment. Utilities may include gas, electricity, fuel for heating, water, sewerage, and solid waste disposal for a dwelling unit. Costs for telephone, cable/satellite TV, and internet services are not considered utilities. Utility allowances are established in accordance with HUD regulations and guidelines.

9.8.2 Utility Allowance Revisions

HABC will review its schedule of utility allowances each year. HABC will revise the utility allowance schedule if there is a rate change of that by itself or together with prior rate changes not adjusted for, results in a change 10 percent or more from the rates on which such allowances were based. Adjustments to resident payments because of such changes shall be retroactive to the first day of the month following the effective rate change and are not subject to the 60-day notice requirement.

9.8.3 Surcharges For HABC-Furnished Utilities

For dwelling units subject to allowances for HABC-furnished utilities where individual meters have been installed, HABC charges for utility consumption in excess of the allowances. The excess consumption is computed on a straight per unit of purchase basis and is based on HABC's average utility rate. The basis for calculating the excess utility consumption charges is described in HABC's schedule of allowances. Changes in the amount of excess consumption charges based directly on changes in the HABC's average utility rate are not subject to the advance notice requirements.

For dwelling units served by HABC-furnished utilities where individual meters have not been installed, HABC may establish schedules of surcharges indicating additional dollar amounts residents will be required to pay by reason of estimated utility consumption attributable to resident-owned major appliances. The surcharge schedule will state the resident-owned equipment for which surcharges will be made and the amounts of such charges. Surcharges will be based on the cost to HABC of the utility consumption estimated to be attributable to reasonable usage of such equipment.

9.8.4 Notice Requirements – Utilities

HABC and the privately owned/managed sites will give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice will:

- Be provided at least sixty (60) days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

- Notify residents of the place where HABC's documentation on which allowances and surcharges are based is available for inspection; and

- Provide all residents an opportunity to submit written comments during a period expiring not less than thirty (30) days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

9.8.5 Utility Allowance Reasonable Accommodation

On request from a family, HABC may approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation because a family member with a disability uses equipment, which requires electricity to operate, to address the disability need.

9.8.6 Resident–Paid Utilities

HABC will establish the utility allowance for sites with resident paid utilities for the unit, which may be modified in accordance with applicable law and regulations.

The resident's TTP will be reduced by the amount of the utility allowance, which HABC will provide to the resident.

If the resident's actual utility bill(s) exceeds the utility allowance, the resident must pay the full amount of the bill to the utility supplier.

If the resident pays a flat rent, the resident is not entitled to a utility reimbursement because the utility allowances are factored into the schedule of flat rents.

By signing a third-party notification agreement at application for the utility service, the resident authorizes HABC or the privately managed sites, whichever is applicable, to be notified by the utility provider if the resident fails to pay the utility bill. Failure of the resident to maintain utility service is grounds for termination under the lease.

Applicants cannot be admitted, and residents cannot be transferred to a development with resident-paid utilities unless they can obtain utility service. The following requirements apply to residents living in developments with resident-paid utilities or applicants being admitted to such developments:

- If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident/applicant will not be permitted to move into a unit with resident-paid utilities. As a result, a current resident will not be permitted to transfer to scattered site units or privately managed sites with resident paid utilities and an applicant will not be admitted to a unit with resident-paid utilities.

- When a resident is responsible for payment of utilities, payment of the utility bills is the resident's obligation under the lease. Failure to maintain utilities is grounds for eviction.

- If the unit is serviced by an individual meter, the resident is responsible for establishing an account directly with the utility provider and paying for those individually metered utilities.

9.8.7 Utility Reimbursement

If the resident's income based rent is less than the utility allowance, HABC or the privately managed site will pay a monthly utility reimbursement, equal to the difference between one month's total tenant payment and one month's utility allowance, either to the resident or, with the resident's consent, directly to the utility provider on the resident's behalf.

CHAPTER 10: TRANSFER POLICY

10.1 INTRODUCTION

HABC permits residents to transfer within or between housing sites for the reasons set forth in this policy. The transfer policy will be carried out in a manner that does not violate fair housing laws.

For purposes of this transfer policy the "losing development" refers to the development/unit from which the family is moving and the "receiving development" refers to the development/unit to which the family is transferring. Losing and receiving developments include privately owned/managed sites with RAD units, LTA units, and units with public housing subsidy.

10.2 GENERAL STATEMENT

HABC's policy provides for resident transfers, within and/or between HABC public housing sites and the privately owned/managed sites, that are RAD sites or have LTA units or public housing units for the following reasons:

- To abate dangerous and/or substandard conditions within the unit that cannot otherwise be addressed.
- Because the resident is an intimidated crime victim and/or an intimidated crime witness as defined in this chapter.
- Because the resident is a crime victim as defined under the Violence Against Women Act, as amended.
- Because the resident has an approved reasonable accommodation transfer request to address a disability.
- To accommodate resident families that are determined to be over- or under-housed because of their family size or composition.
- Because the resident is living in a unit that has been certified as meeting the Uniform Federal Accessibility Standards (UFAS) for wheelchair accessibility or as near UFAS compliant and no one in the household needs the accessibility features in the unit.
- To permit rehabilitation of the resident's unit.
- Because the unit is scheduled for disposition and/or demolition.
- To offer standard alternative accommodations when repairs to the unit cannot be made within a reasonable time.
- Because the resident is living in a Low-Income Housing Tax Credit unit and no longer meets the income eligibility requirements for the unit.
- Pursuant to a memorandum of understanding between the resident and HABC.

10.3 ELIGIBILITY FOR TRANSFER

To be determined eligible for a transfer initiated by residents, residents must submit the required documentation to HABC to substantiate their requests and must be in good standing with HABC at the time of transfer. When a resident who is not in good standing has been approved for a transfer due to an emergency, immediate need, reasonable accommodation, demolition, disposition, or because the resident is in an accessible unit and no one in the household needs the features of the unit, HABC may require the resident to enter a memorandum of understanding before allowing the resident to transfer.

A resident is in good standing when:

- A resident is current with rent;
- There are no current Notice(s) of Lease Termination, or the outcome of any Notice of Lease Termination is pending;
- The resident's household is NOT the subject of a pending lease enforcement investigation;
- A resident is current on their reexamination;
- The resident has a good rental history;
- The resident's household does not have history of disturbances;
- The resident, a member of the resident's household, or a guest of the resident has NOT damaged the unit; and
- The resident's household has NOT engaged in criminal activity.

Residents will not be allowed to transfer when HABC has received judgment or been awarded possession of the unit.

Low Income Housing Tax Credit (LIHTC) Sites

Residents may not be transferred to a LIHTC site unless they are income eligible.

Resident Paid Utilities

Residents may not be transferred to a development with resident-paid utilities unless he/she can obtain utility service.

10.4 TRANSFERS PURSUANT TO AN HABC MEMORANDUM OF UNDERSTANDING (MOU)

HABC may approve a transfer pursuant to an MOU entered between the resident and HABC to resolve a lease termination or other similar issue.

10.5 TYPES OF TRANSFERS

The following are the types of transfers allowed under HABC's transfer policy:

- Emergency to Address Health, Safety, and Habitability Issues
- Emergency Under the Violence Against Women Act (VAWA)
- Emergency to Address an Intimidated Crime Victim & Intimidated Crime Witness (IV/IW)
- Administrative
- Immediate Needs
- Reasonable Accommodation
- Demolition, Disposition, Revitalization or Rehabilitation
- Transfer from Accessible Units
- Severely Over/Under Housed Category
- Over/Under Housed Category 2
- Scattered Site Incentive (upon implementation)

10.6 EMERGENCY TRANSFERS TO ADDRESS HEALTH, SAFETY, AND HABITABILITY ISSUES

Emergency transfers to address health, safety, and habitability issues are made because the resident's unit has become uninhabitable because of fire, flood, or other causes; or (b) one or more properties adjacent to the resident's unit is/are obsolete as to physical conditions and may pose a threat to the safety of the resident.

When the unit is uninhabitable, the resident will be required to relocate. Relocation of the resident is not a waiver by HABC of its right to terminate the resident's lease where it is determined that the damage was caused by an intentional act, carelessness/or negligence on the part of the resident, a member of the resident's household, guest, or other person under the resident's control.

10.7 EMERGENCY VAWA TRANSFERS

The following are conditions for which a resident may qualify for an Emergency VAWA transfer:

- A resident or an immediate family member is a crime victim of domestic violence, dating violence, sexual assault, or stalking;

- The resident expressly requests the transfer, and the resident reasonably believes that harm or further violence is imminent if the resident remains in the unit or if the sexual assault occurred on the premises during the 90-day period preceding the request for transfer;

- The resident has complied with all other obligations of the public housing program; and

- Supporting documentation of the abuse is provided.

Residents receiving a VAWA-based Emergency Public Safety transfer may be referred to a domestic violence crime victim services organization if a safe unit is not immediately available.

Consistent with HABC's Emergency Transfer Plan, HABC may allow residents requesting Emergency VAWA transfers to select up to three specific developments for transfer to protect the resident's safety and security. Where three development options are allowed, the applicable developments covered under the CAMPBWL constitute one development selection. See Appendix on **VAWA EMERGENCY TRANSFER PLAN.**

10.8 EMERGENCY INTIMIDATED CRIME VICTIM/INTIMIDATED CRIME WITNESS TRANSFERS

An Intimidated Crime Victim ("IV") – Means a person subject to a credible threat of imminent harm or threatened harm in connection with the person's status as a victim of a criminal act that is planned, threatened, attempted, or completed, who is cooperating with law enforcement."

An Intimidated Crime Witness ("IW") – Means a person subject to a credible threat of imminent harm or threatened harm in connection with the person's status as a witness to a crime that is planned, threatened, attempted, or completed, who is cooperating with law enforcement.

The following are conditions for which a resident may qualify for an Emergency IV/IW transfer:

- The household needs to be relocated because of a household member's participation in a witness protection program or to avoid reprisal as a result of providing information to a law enforcement agency.

- The household's need to relocate has been verified by a local, State or Federal law enforcement agency. The following are examples of the type of documentation required for a family to be considered for this type of transfer: police reports, letter from law enforcement agency describing the situation and the need for a transfer, or court records such as a restraining order.

Consistent with HABC's Emergency Transfer Plan, HABC may allow residents requesting Emergency IV/IW transfers to select up to three specific developments for transfer to protect the resident's safety and security. Where three development options are allowed, the applicable developments covered under the CAMPBWL constitute one development selection. See Appendix on **VAWA EMERGENCY TRANSFER PLAN.**

10.9 ADMINISTRATIVE TRANSFERS

An administrative transfer is a transfer that is initiated by HABC because HABC determines that the transfer is in the best interest of the resident or HABC. HABC reserves the right to determine the priority of the transfer. Full documentation for the transfer rationale must be placed in the resident's file. Administrative transfers require approval from the Executive Director or his/her designee.

10.10 IMMEDIATE NEEDS TRANSFERS

The consent decree entered in *Bailey v. HABC* (JFM-02-CV-225) and *United States of America v. HABC* (JFM-04-CV-3107) (the Bailey Consent Decree) provides for immediate needs transfers, which receive priority over other reasonable accommodation transfer requests.

The Immediate Needs Plan, which is Attachment B to the Bailey Consent Decree, defines "Immediate Need" as follows:

- An immediate need refers to a family (including a family of one) residing in public housing that has a family member with a disability who: a) lacks access to a toilet; b) lacks access to a shower or a bathtub that can be used by a person with a disability; c) lacks access to the kitchen unless the person with the disability is a minor child under age 8 years; d) lacks access to a bedroom; e) lacks access to a bedroom occupied by a minor child/children for whom the person with a disability provides supervision or has child care responsibilities; f) lacks the ability to enter or exit the unit without assistance; or g) is at a substantial health risk, as verified by a healthcare professional, due to the conditions of the current unit.

The Immediate Needs Plan is to "remain in effect until HABC has completed the creation of the total number of UFAS compliant accessible public housing units required under the" Bailey Consent Decree. HABC may, in its sole discretion, continue the Immediate Needs Plan after the total number of UFAS compliant accessible public housing units has been created.

Immediate Needs transfer requests are investigated by Immediate Needs teams in accordance with the aforementioned Immediate Needs Plan. If the Immediate Needs team determines that the resident has an Immediate Need, it will prepare, with input from the resident, an Immediate Needs Plan. If the Immediate Needs Plan includes the option of a transfer to another unit and the family selects that option, the family will be placed on the reasonable accommodation transfer waiting list based on the date that the transfer request was made. Development selections will follow the policies under Reasonable Accommodations Transfers.

10.11 REASONABLE ACCOMMODATION TRANSFERS

HABC approves reasonable accommodation (RA) transfer requests to a disability of the head of household or a household member. Disability verification is required where the disability is not obvious or when it is not clear how a transfer will address the disability.

RA transfers are divided into two groups:

- Transfers to UFAS or units on one level
- All other RA transfers

Residents requesting an RA transfer to a UFAS unit or unit on one level may NOT select specific developments.

Where an RA transfer has been requested by an individual/family and the family is screened and approved for the Congregate Housing Services (CHS) Program, the individual/family will receive priority among other RA transfers for a vacant unit at any site which offers the CHS program. Among families who are approved for the CHS program, unit offers will be made according to unit size and date and time of transfer request.

Residents requesting all other RA transfers may select up to three locations as transfer options.

Where three development options are allowed, the applicable developments covered under the CAMPBWL constitute one development selection.

10.12 TRANSFERS DUE TO DEMOLITION, DISPOSITION, REVITALIZATION, OR REHABILITATION

HABC will relocate a resident family with reasonable written notice when the unit or property in which the resident family lives is being disposed of or demolished or is undergoing major rehabilitation that requires the unit to be vacant.

Affected resident families will be placed on the transfer waiting list created pursuant to the HABC approved relocation plan.

In cases of revitalization or rehabilitation, the HABC approved relocation plan may provide that the family may be offered a temporary relocation and may be allowed to return to the family's unit once revitalization or rehabilitation is complete.

10.13 TRANSFERS FROM AN ACCESSIBLE UNIT

In the event an accessible unit/unit with accessible features is occupied by a family that does not require those features, HABC or the privately managed site will initiate a transfer when a resident with a disability or an applicant with a disability requiring the accessible unit/features is identified.

Families living in accessible units/units with accessible features who do not need the accessible unit/accessible features: (1) will be given notice to move when a resident with a disability or applicant with a disability who needs the features in the unit is identified; (2) will receive a 30-calendar day notice to move after a unit of appropriate size/type is identified; and (3) will be required to transfer. If the family refuses to transfer, HABC or the privately managed site will terminate the lease.

10.14 OCCUPANCY STANDARD TRANSFERS

HABC will transfer families when the family size has changed and the family is now too large (under-housed) or too small (over-housed) for their unit, based on the Table of General Guidelines for Determining Unit Size included in the Occupancy Standard chapter section **DETERMINING UNIT SIZE.**

Occupancy Standards transfers will be initiated by HABC when applicable household changes result in the family size exceeding the maximum standard or falling below the minimum standard for the given unit size or when applicable occupancy standards change because of changes in family composition.

Occupancy Standards transfers are mandatory for the resident. Over/under-housed status will be determined at the time of reexamination/interim reexamination. HABC may elect not to transfer an over-housed family to prevent vacancies.

A family that is required to move because of family size will be advised by HABC that a transfer is necessary, and that the family has been placed on the appropriate transfer list.

If a family opts for a smaller unit size than would normally be offered under HABC's occupancy standards, HABC may require the head of household's signature on a lease amendment acknowledging and agreeing with the approved guideline exception.

Occupancy Standard transfers are categorized as follows:

- SEVERELY OVER/UNDER-HOUSED CATEGORY

  Severely Over/Under-Housed Category Transfers where the number of occupants listed on HABC Dwelling Lease constitutes over/under-housed conditions according to HABC's Occupancy Standards by two (2) or more bedrooms.

- OVER/UNDER-HOUSED CATEGORY

  Over/Under-Housed Category Transfers are transfers where the number of occupants listed on HABC Dwelling Lease constitutes over/under-housed conditions according to HABC's Occupancy Standards by one (1) bedroom.

10.15 SCATTERED SITES INCENTIVE TRANSFER

Upon implementation, HABC will offer the following Scattered Site Incentive Transfer.

Scattered Sites Incentive transfers are resident initiated, non-mandatory transfers to one of HABC's scattered sites units. To qualify for Scattered Sites Incentive transfers resident families must:

- Meet the good standing transfer criteria as shown in the section on **ELIGIBILITY FOR TRANSFER;**

- At least one work-able adult household member must work a minimum of 30 hours/week and prove steady employment for at least six months prior to the date of the transfer request and maintain employment during the occupancy of the scattered sites unit as long as household member is work-able;

- All work-able household members who are 18 years of age and older, if not employed, must be attending school as a full-time student, or enrolled in an approved job training program.

Families who are elderly or persons with disabilities may request a Scattered Site Incentive transfer if they:

- Meet the requirements for good standing as shown in the section on **ELIGIBILITY FOR TRANSFER**; and

- Have income at or above the federal SSA benefit rate for an individual (for single person families) or for a couple for multiple person families.

For Scattered Site Incentive transfer eligibility, work-able is defined as follows:

- An adult family member who is between the ages of 18 and 55.

10.16 FAMILY SPLITS

HABC may approve a request for a split family transfer to address:

- A reasonable accommodation.

- An emergency health, safety, and/or habitability issue.

- An over/under housed family in the event no appropriate size unit is available in the absence of a family split; or

- To address a VAWA situation.

The resident who splits from the original household must be otherwise eligible for occupancy of a public housing unit and legally capable of executing a lease.

10.17 HABC INITIATED TRANSFERS

Transfers required by HABC are mandatory for the resident. Mandatory transfers are initiated by HABC management with the forwarding of a Notice of Proposed Action to a resident. HABC may proceed to terminate tenancy if a resident does not move based on a mandatory transfer. If the family requests a grievance hearing within the required timeframe, HABC may not act on the transfer until the conclusion of the grievance process.

The following are HABC initiated transfers:

- Emergency to Address Health, Safety, and Habitability Issues
- Demolition, Disposition, Revitalization, or Rehabilitation
- Transfer from an Accessible Unit
- Severely Over/Under Housed Transfers
- Over/Under Housed Category Transfers
- Transfer Pursuant to an MOU
- Family Splits to address Health, Safety, and Habitability Issues; to Address a VAWA Situation or to Address a Severely Over/Under-housed Situation
- Administrative

10.18 RESIDENT-INITIATED TRANSFERS

Resident-initiated transfers are transfers that commence with a written transfer request submitted to HABC by the resident and are approved by HABC. Resident reasonable accommodation requests to transfer to address a disability may be made orally. The resident's oral request shall be memorialized in writing by the resident or on behalf of the resident by representative of the resident or by HABC staff.

The following are resident-initiated transfers:

- Immediate Needs
- Reasonable Accommodation
- Emergency VAWA
- Emergency IV/IW
- Scattered Sites Incentive (upon implementation)

Families must document circumstances that serve as the basis for the transfer request in a form acceptable to HABC.

HABC will verify the need for the transfer and determine eligibility for the requested transfer. HABC will respond either by approving the transfer and putting the family on the appropriate transfer waiting list, by denying the transfer, or by requiring more information or documentation from the family.

If the family is not approved for the transfer, HABC will provide a denial letter to the family that will include information on the family's right to request a grievance. The letter denying a reasonable accommodation transfer request will identify Fair Housing agencies that the resident

may contact.

10.19 TRANSFER WAITING LISTS

Centralized transfer waiting lists are administered by the Office of Admissions and Leasing to ensure that transfers are processed in the correct order and that procedures are uniform across all properties. Housing Operations staff submits requests for transfers, including necessary documentation, to the Office of Admissions and Leasing. The Office of Admissions and Leasing staff places residents approved for transfers on the appropriate waiting list based on the date the request was made for resident-initiated transfer requests and the date of the transfer application for HABC-initiated transfers. Within each transfer category, selection will be determined by the date and time of the resident-initiated transfer request or the date of the HABC-initiated transfer application, which ever applies, and required unit type.

HABC may, at the time a resident reaches the top of the transfer waiting list, re-determine the resident's transfer needs prior to making any unit offer.

Residents on the Emergency to Address Health, Safety, and Habitability Issues; Emergency VAWA; Emergency IV/IW; Immediate Needs; Demolition, Disposition, Revitalization, or Rehabilitation, Transfers from an Accessible Unit; Reasonable Accommodation and Severely Over/Under-housed transfer waiting lists will be offered units that become available before the units are offered to applicants on the public housing waiting list. For over/under-housed transfers, on an annual basis, HABC will review its current occupancy goals and objectives and based on that review, establish a ratio of new admissions to transfers.

Transfers will be processed in the following order based on the date/time of application within each category, subject to the requirements of Section 10.9, Administrative Transfers and Section 10.12, Demolition, Disposition, Revitalization, or Rehabilitation:

1. Emergency to address health, safety, and habitability issues
2. Emergency VAWA
3. Emergency IV/IW
4. Immediate Needs
5. Reasonable accommodation
6. Transfers from accessible units
7. Demolition, Disposition, Revitalization, or Relocation
8. Severely over/under-housed
9. Over/under housed

HABC may, at its sole discretion, transfer a resident family without regard to its position on the

transfer list in order to address a family in crisis or to address a legal directive. The transfer must be approved by two executive staff and full documentation that supports, and provides the reasons for, the transfer rationale must be placed in the resident's file.

Where Scattered Site Incentive transfers are concerned, scattered site units are reserved solely for families who request this transfer and meet the scattered site incentive criteria. HABC will use date and time of transfer request to order the waiting list for the scattered site units.

10.20 MOVING COSTS

HABC will pay for reasonable moving costs related to the transfer types outlined below. Moving costs must be pre-approved by HABC.

- Emergency to address health, safety, and habitability issues
- Demolition, Disposition, Revitalization, or Rehabilitation
- Reasonable Accommodation and Immediate Needs
- Transfers from accessible units

For all other transfers, the resident will pay all moving and other costs related to the transfer.

10.21 SECURITY DEPOSITS

Residents transferring from one HABC development to another HABC development will not be required to pay a new security deposit. Rather, the security deposit paid at the losing development will be transferred to the resident's account at the receiving development. If the resident has not paid all or part of the security deposit to the losing development, the resident will be required to pay the entire security deposit to the receiving development before being allowed to transfer.

Residents transferring between a privately owned or managed site and an HABC development will be reimbursed the security deposit paid to losing development and required to pay a new security deposit to the receiving development.

10.22 PROCESSING TRANSFERS

The Housing Managers at the losing and receiving developments will reach an agreement on the date the lease for the unit in the losing development will end and the date the lease for the receiving development will begin. They will also work cooperatively to complete the move and ensure that the residents sign the required the pre-transfer and leasing documents.

Residents transferring between traditional public housing units will have three (3) working days from the date the family signs the new lease for the gaining site to vacate the unit and return the keys to the losing development. Residents transferring from private sites to traditional public housing must return the keys and vacate the unit at the private site immediately upon the termination date of the lease at the private site.

Public Housing families cannot maintain more than one Federally assisted unit, and any failure of Resident to surrender possession of the Dwelling Unit upon accepting possession of another Federally-assisted unit is: (1) a material breach of this Lease and the program requirements for such other Federally-assisted unit, and (2) grounds to terminate this Lease and assistance to Resident for the new unit.

Occupancy Standard transfers are based on availability of the appropriate location, size, and features of the available units.

10.23 UNIT OFFERS FOR TRANSFERS

When a suitable unit is available, HABC will offer the unit to the next family on the waiting list per the transfer hierarchy. HABC has the right to offer the same unit to multiple residents at the same time. If more than one resident accepts the unit, the unit will be leased to the resident who accepts the unit before the expiration of the acceptance period and is on the highest priority waiting list and has been on that waiting list for the longest period. Offers shall be made orally and in writing. HABC may provide a priority for a unit offer in a specific location in its jurisdiction where a family is required to move as a result of demolition/disposition/revitalization or relocation and the family requests to remain in the same general vicinity as their existing unit due to employment, schools and/or medical/health care needs; however, if a unit in the desired area is not available, the unit offered must be accepted, unless there is good cause not to accept the offer.

Generally, if the resident rejects the offered unit, unless the rejection is for good cause: (1) in resident-initiated transfers, the resident will be removed from the transfer waiting list; (2) in HABC-initiated transfers, the resident will receive a lease termination notice.

Residents requesting RA transfers will be allowed to refuse three units, without good cause, before being removed from the RA Transfer WL.

HABC may allow residents requesting Emergency IV/IW and VAWA transfers to select up to three specific developments for transfer to protect the resident's safety and security.

If circumstances require immediate removal of the occupants in the unit, the resident will be required to move to the first available appropriate size unit, which will be considered a temporary move. If the unit from which the resident has been moved is made habitable, the resident may have the option of returning to that unit or, if the unit cannot be made habitable, to another unit in the same development. If the resident refuses to move, HABC will issue a lease termination notice to the family.

The resident has the right to file a grievance in accordance with HABC's Grievance Policy.

Removal from the transfer waiting list means the resident must reapply for a transfer.

10.24 RENT ADJUSTMENTS FOR TRANSFERRED RESIDENTS

Generally, a resident will pay the same rent at the receiving development as s/he paid at the losing development. When a family is paying the flat rent at the losing development, the family will be given a choice to pay income-based or the flat rent amount at the receiving development.

Residents who intend to transfer to a privately managed site may be screened by the site in accordance with that site's approved tenant selection plan. The screening may result in an increase in the resident's the rent payment.

HABC or the privately owned/managed site will notify the resident of the rent amount before the transfer occurs. Any applicable rent changes will be effective the first of the month following the month of the transfer.

10.25 TRANSFERS AND RE-EXAMINATION DATES

Upon transfer to another unit, the head of household will sign a new lease that will be effective the date of the transfer.

Transfers from Conventional Site to Another Conventional Site

The family's original reexamination date will remain the same when a family is transferring to another conventional site, The receiving development should be certain that the annual, biennial, or triennial review, whichever applies, is properly scheduled to give the staff time to re-determine rent to meet the established reexamination date.

Transfer from Conventional Site to Privately Owned/Managed Site

The family will be treated as a new move-in and a full reexamination will be completed. The reexamination anniversary date will be consistent with the lease effective date. Income eligibility screening is completed.

Privately Owned/Managed Site to Conventional Site

The family will be treated as a new move-in and a full reexamination will be completed. The reexamination anniversary date will be consistent with the lease effective date. Full eligibility screening is completed by Admissions.

Privately Owned/Managed Site to another Privately Owned/Managed Site

The family will be treated as a new move-in and a full reexamination will be completed. The reexamination anniversary date will be consistent with the lease effective date. Income screening is completed.

Privately Owned/Managed Site to another unit within the Same Privately Owned/Managed Site

The family will sign a new lease; however, a new reexamination will not be completed during the transfer. The family will retain its reexamination anniversary date.

CHAPTER 11: LEASING

11.1 INTRODUCTION

All units must be occupied pursuant to a dwelling lease agreement between HABC and the resident or, at the privately owned/managed sites, between the landlord and the resident. This chapter describes pre-leasing activities and HABC's policies pertaining to lease execution, security deposits, other charges, and additions to the lease. This chapter also describes HABC's policies with respect to inspection of each dwelling unit prior to move-in, at move-out, and during the period of occupancy.

11.2 LEASE TERM & RENEWAL

The initial term of the lease will be for 12 months. The lease will renew automatically for 12-month terms unless the resident has violated the community service requirement as described in the chapter on community service and if the family is determined to be over-income for 24 consecutive months. An annual signing process is not required because the lease automatically renews for terms of 12 months.

11.2.1 Lease Term for Over-Income Families whose Tenancy will be Terminated

The lease will convert to a month-to-month lease for families determined to be over-income whose tenancy will be terminated. During this period, HABC or the privately owned/managed site will charge these families, who continue to be public housing program participants, the family's choice of income-based, flat rent, or prorated rent for mixed families during the period before termination.

11.3 EXECUTION OF LEASE

The lease is incorporated into this policy by reference. The lease document will reflect current HABC policies as well as applicable federal, state, and local law. The privately owned/managed sites may use a lease that is different from HABC's lease but will also comply with applicable federal, state, and local law. The links to HABC's lease, including attachments and rider(s) are included in Appendices. The head of household is the person who signs the lease, assumes legal and financial responsibility for the unit, and is listed on the lease as the head of household.

The following provisions govern lease execution and amendments:

- A lease is executed at the time of admission for all new residents.
- A new lease is executed at the time of the transfer of a resident from one HABC unit to another or between an HABC unit and a privately owned/managed unit.
- Lease signers must be persons legally eligible to execute contracts.
- The names and dates of birth of all household members are listed on the lease at initial occupancy and on the HUD form 50058 at the time of re-examination. Only those persons listed on the most recent HUD form 50058 shall be permitted to occupy the dwelling unit.

- Changes to resident rents are made upon the preparation and execution of a notice of rent adjustment by HABC or the owner/manager of a privately owned/managed site, which becomes an attachment to the lease. Documentation of a change to a resident's rent will be included in the resident file.

- Households that include a live-in aide must sign the form in which both the head of household and the live-in aide acknowledge that the live-in aide is not a party to the lease.

11.4 MODIFICATIONS TO THE LEASE

HABC and the privately owned/managed sites may modify their forms of lease from time to time. HABC and the privately owned/managed sites will provide residents with at least 30 calendar days advance notice of the proposed changes to the lease and an opportunity to comment on the changes. All comments will be considered before formally adopting changes to the lease.

After proposed changes have been approved by the Board of Commissioners and incorporated into the HABC Lease or by a privately owned/managed site and incorporated into its lease, each family will be notified at least 60 calendar days in advance of the effective date of the new lease or lease revisions.

Schedules of special charges and rules and regulations are subject to modification or revision. Because these schedules are incorporated into the lease by reference, residents and resident organizations will be provided at least 30 calendars days' written notice of the reason(s) for any proposed modifications or revisions and must be given an opportunity to present written comments. The notice will be delivered directly or mailed to each resident; or posted in at least three conspicuous places within each structure or building in which the affected dwelling units are located, as well as in a conspicuous place at the management office, if any, or if none, a similar central business location within the development or site.

11.4.1 Changes in Family Composition

The lease will be modified to reflect all changes in family composition. Policies related to when and how changes in family composition must be reported are set forth in the chapter on Reexamination and Continued Occupancy.

A resident's refusal to accept permissible and reasonable lease modifications is grounds for termination of tenancy.

11.5 TERMINATION OF THE LEASE

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

11.6 SECURITY DEPOSITS

"Security deposit" means any payment of money, including payment of the last month's rent in advance of the time it is due, given to a landlord by a tenant to protect the landlord against nonpayment of rent, damage due to breach of lease, or damage to the leased premises, common

areas, major appliances, and furnishings.

HABC and the privately owned/managed sites require new residents to pay a security deposit in the amount of $50.00 or an amount not to exceed one month's rent, whichever is lower. The family may be allowed to pay the security deposit in installments, or the family may be required to pay the security deposit in full prior to occupancy. Subject to applicable laws, the security deposit and the interest earned on security deposits will be refunded to the resident unless used for any of the costs listed below.

The amount of the security deposit required is specified in the lease. HABC and the privately owned/managed sites will hold the security deposit for the period the resident occupies the unit.

HABC and the privately owned/managed sites will refund the security deposit (including interest earned on the security deposit) less any amounts owed within 45 calendar days after move-out and resident's notification of a new address. The security deposit will be used by HABC and the privately owned/managed sites to pay the cost of:

- Unpaid rent;
- Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;
- Other charges under the lease.

HABC or the privately owned/managed site will provide the resident, or the person designated by the former resident in the event of the former resident's incapacitation or death, with a written list of any charges against the security deposit. If the resident or his/her designee disagrees with the amount charged to the security deposit, HABC or the privately owned/managed site will meet with the former resident or his/her designee to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to HABC or the privately owned/managed site. All keys to the unit must be returned to the appropriate management office upon moving out of the unit.

11.6.1 Security Deposits and Transfers

Transfers when there is no Prior Security Deposit

When a resident transfers and prior to the transfer the resident had not provided a security deposit for the unit in which they are vacating, HABC will require that the resident provide a security deposit for the unit to which they are transferring. HABC security deposit and calculation policies will apply.

Transfers between HABC Owned/Managed Property to another HABC Owned/Managed Property

If the resident transfers to another unit in an HABC owned and managed property, HABC will transfer the security deposit to the new unit. The resident will be billed for any maintenance costs or other charges arising out of the resident's tenancy in the unit from which he or she is transferring.

Transfer between Privately Owned/Managed Site to an HABC Development

Residents transferring between a privately owned/managed site and an HABC development will be reimbursed the security deposit paid to the losing development, minus any maintenance costs or other charges arising out of the resident's tenancy and required to pay a new security deposit to the receiving development.

Transfer between one Privately Owned/Managed Site to another Privately Owned/Managed Site

Residents transferring between one privately owned/managed site to another privately owned/managed site will be reimbursed the security deposit which was previously paid to the losing development, minus any maintenance costs or other charges arising out of the resident's tenancy. The resident will be required to pay a new security deposit to the receiving development. The amount of the required security deposit will remain the same.

Transfer from one Unit at another at the Same Privately Owned/Managed

Residents transferring from one unit to another unit in the same privately owned/managed development will have their security deposit for the losing unit refunded. The resident will be required to pay a security deposit for the new unit.

11.7 PET DEPOSIT

The policy on pet deposits is set forth in HABC's Pet Policy lease attachment which can be found on HABC's website.

11.8 LEASING ACCESSIBLE UNITS

The policy on leasing accessible units is set forth in the Chapter on Occupancy Guidelines, section 6.5.

11.9 LEASE ORIENTATION ON PROGRAM REQUIREMENTS

Before signing the lease, families will be required to attend a pre-occupancy training session. When the family signs the lease, an HABC representative or a private manager, whichever is applicable, will review the lease and the documents incorporated into the lease, including but not limited to the documents listed below, with the head of household and co-head.

- A copy of the lease
- A copy of the grievance procedures
- A copy of the House Rules or community rules, if applicable
- A copy of the schedule of maintenance charges
- Information about the protections offered under the Violence Against Women Act of 2013

At both the pre-occupancy training session and at the lease signing, a number of topics will be discussed that will include, but are not limited to, the topics listed below, before the family signs the lease.

- Applicable deposits and other charges
- Provisions of the lease
- Flat rents
- Rent payment options
- Orientation to the community
- Unit maintenance and work orders
- Explanation of each of the forms to be signed by the family
- Excess utility consumption charges
- Terms of occupancy
- Community service requirements
- VAWA protections

11.10 USE OF THE UNIT & COMMON AREAS

The resident and authorized family members must use the unit solely as a private dwelling for, and as the sole residence of, resident and resident's family members. Resident and authorized family members may not use or permit use of the unit for any other purpose. HABC, by prior written approval, may consent to the use of the unit for legal profit-making activity subject to Federal regulations, HABC's policies, and local laws, where HABC has determined that such activities are incidental to primary use of the unit as a residence by members of the household.

Residents must obtain prior written approval from HABC to use any indoor or outdoor common area for an event. Additionally, HABC approval is needed for use of any utilities in any indoor or outdoor common area for an event. Violations of this policy will be considered a material violation of the lease.

Use of the unit for any purpose other than the sole private dwelling of resident and authorized family members, without prior written HABC approval, is a material violation of the Lease.

11.11 RENT PAYMENTS

The resident rent is due and payable on the 1st of every month. If the rent payment is not received

by the date set forth in the lease, a delinquent rent notice will be sent.

11.12 FEES AND NON-PAYMENT PENALTIES

The requirements relating to fees and nonpayment penalties are set forth in the lease.

Upon implementation, HABC or the privately owned/managed site shall assess and collect a fee of 5% of the monthly rent if the resident does not pay the full amount of rent due by the end of the fifth day of the month. Repeated late payment of rent and/or other charges is grounds for termination of the Lease. See Chapter 14 (Lease Terminations).

Any rent payment received will be applied to the oldest rent charges in the resident's account.

A charge will be assessed against the resident for checks that are returned for insufficient funds or checks written on a closed account. When HABC or a privately owned/managed site has been informed that a resident's check has been returned for insufficient funds, the resident will be notified, and the rent is to be satisfied by the payment of the outstanding amount using HABC or privately owned/managed site approved payment options immediately upon such notification to the resident. HABC or the privately owned/managed site will always consider the rent unpaid when a check is returned because of insufficient funds, or a check is written on a closed account. If a resident's check is returned twice for insufficient funds, HABC or the privately owned/managed site will no longer accept a check from, or on behalf of, that resident.

If HABC or the privately owned/managed site has not agreed, in writing, to accept payment at a later date, a "Failure to Pay Rent" complaint will be filed with the court. HABC or the privately owned/managed site will note the cost of filing the "Failure to Pay" complaint in the resident's account and will seek an award of this cost in the "Failure to Pay" action upon judgment by the court in favor of HABC or the privately owned/managed site.

11.13 POSTING SCHEDULES OF CHARGES AND UTILITY ALLOWANCES

Schedules of charges for services and repairs and the utility allowance schedule shall be publicly posted in a conspicuous manner in the management office and will be provided to applicants and residents upon request.

11.14 MAINTENANCE & DAMAGE CHARGES

In instances where HABC or the privately owned/managed site charges the resident for maintenance and repair beyond normal wear and tear, the lease will state the basis for the determination of such charges.

Charges for maintenance and repair beyond normal wear and tear are not due and collectible until thirty calendar days after HABC or the privately owned/managed site gives written notice of the charges. The written notice is considered an adverse action and will meet the requirements governing a notice of adverse action. HABC and the privately owned/managed sites will not take the proposed action until the time for the resident to request a grievance hearing has expired, or if a hearing was requested within the required timeframe, the grievance process has been completed.

Nonpayment of maintenance and damage charges is a violation of the lease and is grounds for eviction.

11.15 UTILITY PAYMENTS

Residents responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits. Failure to maintain utility services during tenancy is a lease violation and grounds for eviction.

Where applicable, charges for excess utility consumption will be due and collectible thirty calendar days after HABC gives written notice of the charges. The written notice is considered an adverse action and will meet the requirements governing a notice of adverse action.

Non-payment of excess utility consumption charges to HABC or the privately owned/managed site is a violation of the lease and is grounds for eviction.

11.16 PEST CONTROL ACTIVITIES

HABC or the privately owned/managed sites will require that residents comply with pest control activities undertaken by the housing authority. Residents will be required to provide access to the apartment when pest control treatments are scheduled. HABC or the privately owned/managed sites will enter any apartment where pest control activities are scheduled and/or needed. Residents are required to complete all pre-treatment activities in their apartments prior to the pest control treatment, such as placing items in plastic bags and storing food items. Failure to allow access for pest control and/or failure to prepare the apartment for pest control activities will result in lease termination. Pest Control activities must be completed on all units in order for the treatments to be effective. For this reason, this policy will be strictly enforced. Residents are required to abide by the terms of the Bed Bug Lease Addendum. Resident negligence, resulting in infestation, is a violation of the Lease and may result in Lease termination. HABC will provide at least forty-eight (48) hour notice prior to the pest treatment.

11.17 LEASING & NON-PUBLIC HOUSING OVER-INCOME FAMILIES

In general, if an over-income (OI) family, when permitted by HABC's written continued occupancy policy, elects to remain in a public housing unit paying the alternative non-public housing rent, HABC and each non-public housing over-income (NPHOI) family (referred to as the "tenant" in this section) must enter into a lease which must be effective no later than 60 days after the applicable over-income notice provided or at the next lease renewal, whichever is sooner.

An OI family that declines to pay the alternative rent or enter into a NPHOI lease will continue to be a public housing program participant in the period before termination. Such termination will become effective no more than 6 months after the end of the 24 consecutive month grace period.

HABC may permit the family to execute a new lease after the deadline, but before termination of the tenancy, if the OI family pays HABC the total difference between the alternative rent and their public housing rent dating back to the date that is the earlier of 60 days after the date the final notice or the date that would have been the next public housing lease renewal.

Once the new lease is executed, an NPHOI family may only be readmitted into the public housing program if they once again become an eligible low-income family and reapply to the public housing program.

11.17.1 NPHOI Lease Requirements

At a minimum the NPHOI Lease will contain the following plus other required provisions as stated in 24 CFR 960.509:

- Parties to the Lease;
- Dwelling Unit;
- Initial rent and notice requirements for changes in rent;
- Charges for late rent payments; per HABC policy;
- Lease Term and renewal as dictated by HABC policy; however, there is no automatic renewal;
- Statement of utilities, services and equipment to be supplied by HABC without additional cost;
- Utilities and appliances to be supplied by the tenant;
- The HABC approved household composition, including foster children, foster adults and approved live-in aides;
- Requirement for family to notify HABC of the birth, adoption and/or court-awarded custody of a child;
- Charges for excess utility consumption (if there are individual check meters or are the result of use of major tenant-supplied appliances) and charges for repair beyond normal wear and tear;
- Requirement to obtain HABC approval to add any other household member:
- HABC obligations under the lease;
- Tenant obligations;
- Defects hazardous to life, health or safety;
- No smoking policy (for NPHOI families who are NOT in mixed-finance projects)
- Entry of the dwelling unit during tenancy;
- Notice procedures;

- Seasonal Maintenance requirements (elderly/disabled may opt out):
- Termination of tenancy and eviction;
- Grievance procedures;
- Provisions for lease modification; and
- Signature clause.

11.17.2 Security Deposits for NPHOI Families

Any previously paid security deposit will be applied to the tenancy upon signing of the NPHOI Lease. The NPHOI Lease will include the circumstances under which the security deposit will be returned plus circumstances when the tenant will be charged for damage to the unit, all of which will be consistent with State and local security deposit laws.

CHAPTER 12: INSPECTIONS

12.1 INSPECTIONS

HABC inspects each dwelling unit prior to move-in, at move-out, and annually during occupancy. Additionally, HABC may require additional inspections, in accordance with HABC Policy.

12.2 MOVE-IN INSPECTIONS

HABC or the privately owned/managed site and the family will inspect the premises prior to occupancy of the unit to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by HABC or the privately owned/managed site and the family, will be kept in the resident file.

The head of household or co-head must sign the inspection form.

12.3 VACATE INSPECTIONS

HABC or the privately owned/managed site will perform a move-out inspection when the resident vacates the unit. The resident will be given notice of the right to participate in the move-out inspection.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. HABC or the privately owned/managed site will determine if there are damages to the unit caused by the resident. Damages caused by the resident may affect part or all of the resident's security deposit.

The move-out inspection also assists HABC or the privately owned/managed site in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next resident.

12.4 PREVENTIVE MAINTENANCE INSPECTIONS

HABC will inspect the unit at least one a year for the purpose of preventive maintenance (PM). The PM inspection will also cover inspection of major systems, i.e., heating, air conditioning.

12.5 NATIONAL STANDARDS FOR THE PHYCIAL INSPECTION OF REAL ESTATE (NSPIRE)

Effective July 2023, HABC and the privately owned/managed sites will inspect all units and common areas annually using HUD's NSPIRE Standards as a guideline.

HUD will commence regular inspections after July 1, 2023, and will use the NSPIRE standards for all REAC inspections.

12.6 QUALITY CONTROL (QC) INSPECTIONS

The purpose of the QC inspections is to ensure that repairs have been completed at an acceptable level of craftsmanship and to determine resident satisfaction with the work performed. HABC inspection staff will conduct QC inspections for an established percentage of units.

HABC QC Inspection staff will conduct inspections on all units at a site as part of a site audit.

12.7 UNIT INSPECTIONS

HABC and the privately owned/managed sites will conduct unit inspections of all units at least annually. The purpose of these inspections is to determine the housekeeping and unit conditions. Units that fail the unit inspections will be subject to follow-up inspections.

During the unit inspections, the Reasonable Accommodation Survey Tool – Short Form will be completed with the resident to allow the resident to identify if any family member has a disability and needs a reasonable accommodation to address that disability.

12.8 OTHER INSPECTIONS

HABC and privately owned/managed site staff will periodically conduct walk-through inspections to determine whether there may be lease violations, adverse conditions, or local code violations.

12.9 EMERGENCY INSPECTIONS

HABC and privately owned/managed site staff may conduct an emergency inspection if they believe that an emergency exists in a unit or on the site. A work order must be generated after the inspection has been conducted.

12.10 NOTICE OF ENTRY

HABC and the privately owned/managed sites will be allowed to inspect units at reasonable times with reasonable notice.

If HABC is unable to enter the dwelling unit because a different lock has been installed in the dwelling unit, HABC will install a new lock to gain entry to perform the necessary inspection, maintenance, extermination treatment, or repair. HABC will leave a written statement posted on the dwelling unit notifying the resident to come to the management office of his/her development to obtain the new keys. This information will be included in advance in the notice to resident scheduling such inspection, maintenance, extermination treatment, or repair.

12.10.1 Emergency Entries

HABC and the privately owned/managed sites may enter dwelling units at any time without advance notice when there is reasonable cause to believe that an emergency exists. If no adult household member is present at the time of an emergency entry, HABC and privately owned/managed staff will leave a written statement showing the date, time, and purpose of the entry prior to leaving the dwelling unit.

12.10.2 Non-Emergency Entries

HABC and the privately owned/managed sites will provide families with written 48-hour notice prior to entering the unit for non-emergency reasons.

Non-emergency reasons for entering a unit are:

- Maintenance and repairs- If a resident requests repairs through the work order system of HABC or the privately owned/managed sites, the resident will be informed at the time of the request that HABC or the privately owned/managed sites may enter the resident's unit during normal business hours, without any further advance written notice to the resident, for the sole purpose of making the requested repairs. Maintenance staff will knock and announce their entry into the unit upon arrival to make the requested repairs. HABC or the privately owned/managed sites will leave a summary of the actions taken during the repair visit.

- Inspections

- To make improvements

An adult family member should be present in the unit during a non-emergency inspection. If no one is in the unit, the staff person(s) will leave a written notice for the resident regarding the date and time the non-emergency inspection was attempted.

If a resident needs to reschedule a non-emergency inspection, the resident must notify HABC or the privately owned/managed site at least 48 hours prior to the re-scheduled inspection.

HABC or the privately owned/managed site will reschedule the non-emergency inspection no more than twice unless the resident has a verifiable good cause reason for refusing entry. HABC may request verification of such good cause. If the resident refuses to allow the inspection, the resident will be in violation of the lease.

12.11 UNIT INSPECTION VIOLATIONS

If a unit fails the unit inspection, HABC or the privately owned/managed site will provide the resident with a copy of the inspection report with required corrections. The resident will be required to correct noted items. A follow-up inspection will be conducted within 30 calendar days. HABC or the privately managed site may require the resident to participate in housekeeping/unit maintenance counseling. The inspection report will indicate whether required corrections are to be charged to the resident or covered by HABC or the privately owned/managed site.

If the resident fails make required corrections identified on the inspection report, lease termination may result.

12.12 RESIDENT DAMAGES

Repeated failed inspections or damages to the unit beyond normal wear and tear caused by the resident, a member of the household or a guest of the resident may constitute serious or repeated lease violations. HABC may charge the resident for the reasonable cost of repairs.

"Beyond normal wear and tear" is defined as items that could be charged against the resident's security deposit under state law or repairs resulting from willful damage, neglect, or negligence.

12.13 EMERGENCY REPAIRS

If the unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants, the resident must immediately notify HABC or the privately owned/managed site, whichever is applicable, of the damage. Abatement of the emergency must be completed within 24 hours from the time the work order is issued.

If HABC or the privately owned/managed site cannot make repairs within 24 hours, the resident will be offered standard alternative accommodations. If HABC or the privately owned/managed site can neither repair the defect within 24 hours nor offer alternative housing, rent shall be abated in proportion to the seriousness of the damage and loss in value as a dwelling. Rent shall not be abated if the damage was caused by a household member or guest, or if the resident rejects the alternative accommodations.

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- Broken lock which affects unit security
- Broken window glass which affects unit security, is a cutting hazard, or occurs during inclement weather (to be secured or abated)
- Plumbing leaks that can cause flooding or damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage
- Electrical hazard
- Units in which the temperature is below 68 degrees because of defective or broken heaters
- Units with elderly residents or residents with disabilities in which HABC-owned air conditioners are inoperable during the summer or in which the refrigerators are inoperable

Inoperable smoke detectors will be treated as a 24-hour emergency and will be replaced or made operable. Residents who disengage smoke detectors for convenience purposes are in violation of their lease.

12.14 NON-EMERGENCY REPAIRS

If necessary to bring the unit into NSPIRE compliance, routine or needed repairs will be completed by HABC or the privately owned/managed site. Non-emergency repairs will be completed by HABC or the privately owned/managed site within 30 calendar days of the inspection date.

12.15 RESIDENTIAL MINIMUM HEATING STANDARDS

Baltimore City's housing code requires that rental units be heated to a minimum temperature between October 1st and April 30th as follows:

- Habitable rooms, bathrooms, and toilet rooms must be at least 70°F from 5 AM to midnight, and at least 65°F from midnight to 5 AM.

CHAPTER 13: PET POLICY

13.1 INTRODUCTION

HABC's policy on pets in family developments is set forth in the Pet Policy for Family Developments (the Pet Policy) which can be located in the Appendices section of this ACOP. The Pet Policy is reasonably related to the legitimate interest of HABC in providing a decent, safe, and sanitary living environment for residents, providing standards aimed at creating the best possible environment for both pet owners and non-pet owners, and promoting responsible care of pets.

Privately owned sites may have different pet policies. The family developments converted under RAD shall follow the pet policy set forth in the Long Term Affordable (LTA) Criteria.

Neither HABC's Pet Policy nor the pet policies followed by the privately owned sites, or the RAD Sites, apply to animals that are used to assist, support, or provide service to persons with disabilities, or to service animals that visit public housing developments.

Verification, by a knowledgeable provider, is needed to approve the addition of an assistance animal to the unit. If there are multiple family members who request the addition of an assistance animal, verification is required to support the need for each assistance animal.

CHAPTER 14: REEXAMINATIONS & CONTINUED OCCUPANCY

14.1 INTRODUCTION

This Chapter summarizes the policy for conducting reexaminations. It also explains the interim reporting requirements for families and the standards for timely reporting.

14.2 ELIGIBILITY FOR CONTINUED OCCUPANCY

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

- Who qualify as a family as defined in Chapter 4: Eligibility for Admission.
- Are in full compliance with the obligations and responsibilities described in the dwelling lease.
- Whose family members, age 6 and older, each having submitted their social security numbers or having provided a certification from the Social Security Administration that a social security number has not been issued.
- Whose family members have submitted required citizenship/eligible immigration status/non-citizens documents.
- Who are not considered over-income (as defined in this chapter) for the specified period of time.

14.3 OVER-INCOME FAMILIES

Under the Housing Opportunity Through Modernization Act (HOTMA) of 2016 and successor notices, over-income (OI) is defined as a family whose income exceeds the over-income limit. The over-income limit is determined by multiplying the applicable income limit for a very low-income family by a factor of 2.4. See Appendix on **OVER-INCOME LIMITS** for the applicable income limit for the current year.

HABC will update the over income limits no later than 60 days after HUD publishes the new income limits each year.

For families whose income exceeds the over-income limit for 24 consecutive months, HABC will not terminate the family's tenancy and will charge the family the alternative non-public housing rent, as well as require the family to sign a new non-public housing lease in accordance with the applicable continued occupancy policies in this ACOP.

After a family has exceeded the over-income limit for twenty-four consecutive months, the family will be required to:

- Execute a new lease

- Pay rent consistent with HABC policies on rent for OI families (see **ALTERNATIVE RENT FOR NON-PUBLIC HOUSING OVER-INCOME FAMILIES) (NPHOI)**

The provisions of the over-income policies apply to all public housing program families, including FSS families.

All NPHOI families are precluded from participating in public housing resident council as well as being precluded from participating in programs that are only for public housing or low-income families.

The specific provisions which guide the occupancy of public housing units by NPHOI families can be found in the NPHOI lease.

14.3.1 Decreases in Income

If, at any time during the consecutive 24-month period following the initial over-income

determination, HABC determines that the family's income is below the over-income limit, HABC's over-income policies will no longer apply to the family as of the effective date of the reexamination. If HABC later determines that the family's income exceeds the over-income limit at a subsequent annual or interim reexamination, the family will be entitled to a new 24 consecutive month period and new notices under this section.

14.3.2 Notification Requirements

Disputes of over-income status will be allowed using the HABC's established hearing process.

- Initial Notice: At annual or interim reexamination, if HABC determines that a family is over-income, HABC will notify the family, in writing, of their OI status no later than 30 days after the income examination. HABC will conduct an income examination 12 months after the initial over-income determination.

- Second Notice: If a family continues to exceed the income limit for 12 consecutive months after receiving the first OI determination, HABC will provide a second written notice within 30 days after the income examination. The family will be notified that HABC will follow its over-income policy if the family continues to exceed the over-income limit for a total of 24 consecutive months. HABC will conduct an income examination 12 months after the second over-income determination.

- Final Notice: If a family continues to maintain their OI status for a further 12 consecutive months (24 consecutive months), HABC will conduct an income reexamination and will provide the family with a final notice no later than 30 days after the income examination which led to the 24-month over-income determination. The third notice will inform the family that they have exceeded the over-income limit for 24 consecutive months, and that HABC will charge the family the alternative non-public housing rent (at the next lease renewal or in no more than 60 days after the date the final notice per whichever is sooner).

If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with HABC policy. If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of the reexamination. In such instances, HABC will notify the family in writing that over-income policies no longer apply to them. If the family's adjusted income later exceeds the over-income limit again, the family will be entitled to a new two-year grace period.

14.3.3 Status of Over-Income Families

An over-income family will continue to be a public housing program participant until their tenancy is terminated or the family executes a new non-public housing lease.

14.3.4 Reporting for Over-Income Families

HABC will submit a report to HUD annually that specifies as of the end of the calendar year, the number of families residing in public housing with incomes exceeding the over-income limit and the number of families on the waiting lists for admission to public housing projects.

Number of OI families residing in public housing

The number of families residing in public housing with incomes exceeding the over-income limitation will include the number of families in the 24 consecutive month grace period, those that are in the period before termination and those that are NPHOI families paying the alternative rent.

Data on the number of families on waiting lists for admission to public housing projects

The reporting period for this requirement will begin January 1, 2024. Waiting list data will include all public housing waiting lists with duplicates removed and will be current as of December 31st of the previous calendar year.

HABC will categorize units occupied by NPHOI families as 'Non-Public Housing Over-Income (NPHOI) Tenant' in IMP/PIC.

14.4 REEXAMINATION FREQUENCY

The frequency of reexaminations by HABC and the privately owned/managed sites is based on the resident's program participation, income source and whether the resident chooses income based rent or flat rent. The following identifies the frequency of the re-examinations:

MTW Policy

Except as set forth below, the re-examination of HABC residents will generally occur every two years.

The re-examination of households where 100% of income is from fixed incomes sources will occur every three years. Fixed income refers to social security income, supplemental security income and/or pension income.

- Regular re-examination of households who elect the flat rent option will occur every three years. Households who elect the flat rent option will be required to certify their household composition annually in addition to the flat rent update.

- Regular re-examination of households who report zero or minimal income and households at privately owned/managed properties will occur annually. Minimal income is defined as less than $2,400 in annual gross household income.

- HABC will conduct annual reexaminations for any family where the following exists, regardless of the income reported by other family members:

    - Any adult family member reports zero income

    - Any adult family member reports minimal income

    - Any adult family member reports child support income

- Over-income families, during the 24 consecutive month period where they continue to be over-income, will have regular reexaminations conducted on an annual basis; however, non-public housing over-income families will not be subject to annual reexaminations of family income.

- When and if an over-income family's income decreases to the point where they are no longer over-income, HABC will conduct a certification to review the family income and determine the applicable reexamination frequency for the family.

HABC may also schedule a regular reexamination for completion prior to the anniversary date for administrative purposes.

At regularly scheduled reexaminations, residents will provide all certifications and forms in accordance with HABC, HUD, and tax credit requirements, as applicable.

The table below provides a summary of household types and reexamination frequency.

Table of Reexamination Frequency	
Description	**Frequency of Reexamination**
Households on fixed incomes only	Triennial (**MTW Policy**)
Over-Income Households Only during the consecutive 24-month period where they are over-income	Annual
Households who select the flat rent option	Annual flat rent updates Annual reexamination of family composition Triennial for income and family composition
Households who report zero, non-recurring or minimal income	Annual

Table of Reexamination Frequency	
Description	**Frequency of Reexamination**
Households who have an adult household member who reports zero income, minimal or only non-recurring income or child support	Annual
Households at privately owned/managed properties	Annual
All other households	Biennial (**MTW Policy**)
Non-Public Housing Over-Income Families	Regular income reexaminations are NOT conducted

Regular reexamination anniversary dates will not change when an interim reexamination is completed. When an interim reexamination is completed and a family becomes a zero or minimal income family or family member reports zero or minimal income, HABC will change the reexamination frequency to annual at the next regular reexamination.

Generally, if a household has multiple sources of income, the reexam frequency will be determined by the source of income that dictates the more frequent reexamination schedule. HABC reserves the right to create a different re-examination schedule.

See **TRANSFERS AND RE-EXAMINATION DATE** policies.

14.5 REEXAMINATION NOTICE TO THE FAMILY

All families will be notified of their obligation to recertify by first class mail. Generally, HABC sends the reexamination notification letter at least 120 days before the scheduled reexamination effective date. HABC will provide families with at least 14 working days advance notice of the first scheduled reexamination appointment.

14.6 PERSONS WITH DISABILITIES

HABC and the privately owned/managed sites will provide notices in an accessible format or mail notices to a third party, if requested as a reasonable accommodation by a person with disabilities.

Persons with disabilities who are unable to come to HABC's office or the offices of the privately owned/managed site for the reexamination may make a reasonable accommodation to have the interview conducted at the person's home, which shall be approved if it is verified that the person has a disability that prevents him/her from going to the HABC office or the offices of the privately owned/managed site.

Verification that the person has a disability or that the requested accommodation will address the disability may be required if the disability is not obvious.

14.7 RESCHEDULED REEXAMINATION APPOINTMENTS

If the family is unable to attend the first scheduled interview, the family must contact HABC or the privately owned/managed site at least 10 working days before the interview is scheduled to

occur to schedule a new appointment.

If the family does not appear for the reexamination interview and has not rescheduled the interview with HABC or the privately owned/managed site, HABC or the privately owned/managed site will schedule a second appointment. HABC will provide the family with 10 working days advance notice of the rescheduled appointment. HABC will not reschedule a reexamination appointment more than twice except as a reasonable accommodation.

Families must contact HABC if they are unable to attend the second scheduled appointment. If the family fails to appear for the second appointment HABC or the privately owned/managed site will issue a notice of lease termination.

Exceptions to these policies may be made by the HABC Asset Manager or the property manager at the privately owned/managed site if the family provides documentation of a good cause reason that prevented them from canceling or attending the appointment.

14.8 CONDUCTING REGULAR REEXAMINATIONS

The terms of the public housing lease and the privately owned/managed site leases require the family to furnish information regarding income and family composition as may be necessary for the redetermination of rent, eligibility, and the appropriateness of the housing unit. All adult members of the household are required to sign consent/release forms necessary in the reexamination process.

Any required documents or information the family is unable to provide at the time of interview must be provided within 5 working days from the date of the interview. If the family is unable to obtain or supply the information within the required time frame, the family must request an extension.

14.8.1 Requirements to Attend Reexamination Interview

All adult household members will be required to attend the reexamination interview and sign the Personal Declaration and Continued Occupancy Declaration. If the head of household is unable to attend the interview, the appointment will be cancelled.

14.8.2 Household Members Turning 18

Residents are not required to report when a family member turns 18 years of age between regular reexaminations. However, if a family member will be 18 years of age on or before the household's reexamination effective date, they must attend the reexamination appointment.

14.9 COMMUNITY SERVICE

For families who include non-exempt individuals, HABC will determine compliance with community service requirements. See the Chapter on Community Service.

All families will be notified of their obligation to recertify by first class mail. Generally, HABC sends the reexamination notification letter at least 120 days before the scheduled reexamination

effective date.

14.10 PERSONS WITH DISABILITIES

HABC and the privately owned/managed sites will provide notices in an accessible format or mail notices to a third party, if requested as a reasonable accommodation by a person with disabilities.

Persons with disabilities who are unable to come to HABC's office or the offices of the privately owned/managed site for the reexamination may make a reasonable accommodation to have the interview conducted at the person's home, which shall be approved if it is verified that the person has a disability that prevents him/her from going to the HABC office or the offices of the privately owned/managed site.

Verification that the person has a disability or that the requested accommodation will address the disability may be required if the disability is not obvious.

14.11 VERIFICATION OF INFORMATION

All information that affects the family's eligibility for continued occupancy and the family's total tenant payment and rent will be verified in accordance with HABC or the privately owned/managed site verification policies and procedures.

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

- The continued eligibility of the resident as a *family* or as the *remaining member* of a family.
- The unit size required by the family.
- The amount of rent the family should pay.

14.12 EFFECTIVE DATES: CHANGES IN THE TENANT RENT AT REGULAR REEXAMINATION

As part of the reexamination process, HABC will make appropriate adjustments in the rent after consultation with the family and upon verification of the information.

14.12.1 Resident Rent Increases

If, because of a regularly scheduled reexamination, the resident rent increases, a 30-day notice will be mailed to the family prior to the reexamination effective-date.

If less than 30 calendar days are remaining before the effective date, the resident rent increase will be effective on the first day of the month following the 30-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, the increase in rent will be effective on the scheduled

effective date.

14.12.2 Resident Rent Decreases

In general, a decrease in the participant rent that results from a regular reexamination will take effect on the family's anniversary date. Decreases in rent will not be applied retroactively due to family-caused delays.

If the family causes a delay so that the processing of the reexamination is not complete by the regular reexamination effective date, any decrease in rent will be effective on the first day of the month following completion of the reexamination processing by HABC or the privately owned/managed site.

14.13 REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS

For a family that chooses the flat rent option, HABC or the privately owned/managed site will conduct a reexamination of family composition at least annually and will conduct a reexamination of family income at least once every three years.

Once a year, HABC or the privately owned/managed site will: (1) give each family the opportunity to choose between the two methods for determining the amount of resident rent payable monthly by the family; and (2) require each family to submit updated information about the household composition. The family may choose to pay either a flat rent as determined in accordance with HABC's flat rent schedules, or an income-based rent. HABC and the privately owned/managed sites will require families to submit their choice of flat or income-based rent in writing and will maintain such requests in the resident file.

If the family choses a flat rent for the previous year, HABC or the privately owned/managed site will provide the amount of income-based rent for only the year HABC or the privately owned/managed site conducts an income reexamination or, during the intervening years, only if the family specifically requests income recalculation and submits updated income information. For further information on flat rent schedules and changes, see Chapter 8: Income and Adjusted Income.

14.13.1 Flat Rent Annual Updates

In scheduling the annual update, HABC or the privately owned/managed site will follow the policy used for scheduling the annual reexamination of families.

As flat rent updates will be determined annually, based on changes to fair market rents (FMR), and resident rent updates will occur on the annual rent update anniversary, there may be times that residents on flat rent are paying more or less than 80% of the FMR, depending on the change to the FMR. Flat rent increases will be limited so that no family on flat rent will have an increase more than 35% of the family's existing rent amount due to the increase in FMR.

If the family has chosen flat rent, his/her rent shall be adjusted at the next annual flat rent update or regular reexamination rather than at the point the flat rent may change. At the time of the annual flat rent update or regular reexamination, the family will be given the choice of changing to

income-based rent or of remaining on flat rent at the current (most recently adjusted) flat rent for the family's unit.

14.14 INTERIM REEXAMINATIONS

Family circumstances may change between regular reexaminations. HABC policies and the polices of the privately owned/managed sites define the types of information about changes in family circumstances that must be reported, and under what circumstances HABC or the privately owned/managed site will process interim reexaminations to reflect those changes. HUD regulations also permit HABC and the privately owned/managed sites to conduct interim reexaminations of income or family composition at any time.

HABC or the privately owned/managed site will conduct interim reexaminations within a reasonable time. Generally, interim reexaminations should not be longer than 30 days after the income change is reported, however; this time frame is contingent on the family's cooperation with providing timely supporting documentation.

HABC will verify all income and expense information for the household member for whom the change is reported. Additionally, when a household reports removal of a household member, HABC will verify that the household member has vacated the unit. Income/expense changes for other household members are not required to be reviewed or verified during interim reexaminations.

Generally, the regular reexamination effective date will not change because of an interim reexamination.

Where applicable, for over-income families in the period of up to six months before their tenancy termination pursuant to the over-income policy, HABC or the privately owned/managed site will conduct an interim reexamination of family income. However, the resulting income determination will not make the family eligible to remain in the public housing program beyond the period before termination as defined by HABC policy.

Required Interim Reporting

Families are required to report the changes outlined below. HABC will process an interim rent change when any of the following occur:

- Zero or minimal income family member receives monetary or non-monetary income
- Change in family composition

If a household reports a change that it was not required to make which will result in an increase in rent, HABC will place the information in the file; however, HABC will not process an interim increase in rent. There is one exception to this policy where FSS families are concerned. Upon request from a family participating in the Family Self-Sufficiency Program (FSS), if the family reports an increase in income between regular reexaminations and requests an interim

reexamination, HABC will process the interim reexamination so that the family can take advantage of the escrow deposit feature of the FSS program. The family will also experience an increase in rent because of the increase in income.

> **MTW Policy**
>
> Families paying income-based and flat rents are not required to report increases in income or assets between regular reexaminations. HABC and the privately owned/managed sites will not process rent adjustments resulting from these increases in income until the next regularly scheduled reexamination, except in certain cases as described in this ACOP.

Optional Interim Reporting

Families may report the changes outlined below. HABC may process an interim rent change when any of the following occur:

- Decrease in income
- Increase in allowable expenses

If the family is receiving income that is counted and the income is scheduled to stop prior to the end of the regular recertification period, the family is responsible for requesting an interim decrease when the income stops. HABC will continue to include income for the regular reexamination period unless the family requests an interim decrease.

14.15 STANDARD FOR TIMELY REPORTING

The standard for timely reporting is within 10 working days from the date of the change. This standard applies to required and optional reporting. For example, if a resident loses his job on April 1st, timely reporting of the job loss will be 10 working days from April 1st. See the policies on effective dates of interim rent changes when reporting is or is not timely.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications, or documentation within the required time frame, it will be considered untimely reporting.

14.16 METHOD OF INTERIM REPORTING

Families are required to submit interim changes in writing. Generally, the head of household and the person requesting the change will be required to attend an interview for an interim reexamination.

Based on the type of change reported, HABC or the privately owned/managed site will determine the documentation the family will be required to submit. Any information, document, or signature that is needed from the family to verify the change must be provided within 5 working days from the date HABC or the privately owned/managed site made the request. This time frame may be extended by HABC or the privately owned/managed site for good cause. HABC and the privately owned/managed sites will accept required documentation by mail, by fax, electronic mail (email)

or in person.

HABC or the privately owned/managed site may conduct the interim reexamination by mail as a reasonable accommodation when requested. (See Chapter 2: Fair Housing and Equal Opportunity).

14.17 CHANGES IN FAMILY COMPOSITION

Families must report all changes in household composition to HABC or the privately owned/managed site within 10 working days from the date of the change. Such changes include additions due to birth, adoption, and court-awarded custody. The family must obtain approval from HABC or the privately owned/managed site prior to all other additions to the household. The change in family composition must be submitted in writing.

Following receipt of a family's request for addition of a household member, HABC or the privately owned/managed site will conduct a pre-admission screening, including the criminal history report, of the proposed new member. HABC or the privately owned/managed site will not allow the addition of a new family or household member unless the individual meets the applicable screening criteria and documentation requirements as described in Chapter 4: Eligibility for Admission. Only new members approved by HABC or the privately owned/managed sites will be added to the household.

HABC and the privately owned/managed sites will conduct an interim reexamination and recalculate rent for all changes in family and household composition that occur between regular reexaminations and annual updates. The head of household shall provide HABC or the privately owned/managed site with all income documentation for the new household member.

MTW Policy

When a family adds an adult to the household, and where the income from the new adult results in a TTP which is greater than the flat rent, HABC will cap the rent at the applicable flat rent. At the family's next regular reexamination, the family will be provided with a choice of income based or flat rent. This does not apply to over-income households.

HABC or the privately owned/managed site will process an increase in rent when the household size increases due to the addition of a new family member with earned or unearned income. However, income information for existing family members will NOT be updated when there is an interim change in family composition, except where a child is added and the state assistance payment changes. HABC will verify the state assistance and include the new amount in the calculation of income and rent.

HABC or the privately owned/managed site will process a decrease in rent when the household size decreases due to the removal of a family member with earned or unearned income.

Additions to the household subject to applicable screening:

- Any person 18 or older the resident proposes to add to the lease.

- Resident is awarded custody of a child who is 14 or older.
- Children who are 14 and older are added through a kinship care arrangement.
- Resident desires to add a new family member to the lease, a live-in aide, or a foster child(ren).
- A unit is occupied by a remaining family member(s) under age 18 (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household.

Additions to the household not subject to screening:

- Children born to a family member.
- Children for whom court-awarded custody is provided, if the child is under the age of 14; and
- Legal adoptions of minors.

14.17.1 New Family Members Not Requiring Prior Approval

The addition of a family member because of birth, adoption, or court-awarded custody does not require prior approval from HABC or the privately owned/managed site; however, the family is required to notify HABC or the privately owned/managed site of the addition within 10 working days of the occurrence.

14.17.2 New Family Members Requiring Approval

The family must inform HABC or the privately owned/managed site and obtain approval from HABC or the privately owned/managed site for additional family members, other than additions due to birth, adoption, and court-awarded custody, before the new member occupies the unit. Only new members approved by HABC or the privately owned/managed site will be added to the household.

HABC or the privately owned/managed site will not approve the addition of family members other than by birth, adoption, court-awarded custody, or marriage/interdependent relationship where the occupancy standards would require a larger size unit, except as a reasonable accommodation. Exceptions will be reviewed, and determinations made on a case-by-case basis.

Residents who fail to notify HABC or the privately owned/managed sites of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the lease. Such persons are considered to be unauthorized occupants by HABC or the privately owned/managed sites and the entire household will be subject to eviction.

14.17.3 Departure of a Family or Household Member

If a family or household member ceases to reside in the unit, the family must inform HABC or the

privately owned/managed site within 10 working days of the occurrence. This notification requirement includes removal of a live-in aide, foster child, or foster adult. The household must complete a certification of removal and provide verification of the removal, i.e., new address for the household member being removed, death certificate etc.

These individuals may not be added back to the lease and must apply as a new applicant for placement on the HABC public housing waiting list.

14.17.4 Change in Family Size & Transfer

HABC will initiate a unit transfer, if needed under the Occupancy Guidelines, for additions to the family in the following cases:

- Addition of a minor who is a member of the family who had been living elsewhere.
- Addition of a live-in aide approved by HABC or the privately owned/managed site.
- Addition due to birth, adoption, or court-awarded custody.

If a change due to birth, adoption, court-awarded custody, or need for a live-in aide requires a larger size unit due to overcrowding, the resident will be placed on the appropriate transfer waiting list for the larger unit and transferred to an appropriately sized unit when the resident reaches the top of the waiting list, and an appropriately sized unit becomes available.

Transfers due to over-housing or under-housing conditions caused by the addition or removal of household members will be handled in accordance with Chapter 10: Transfer Policy.

14.18 ZERO INCOME & MINIMAL INCOME

14.18.1 Zero Income & Minimal Income Adults

A zero-income adult is one who does not receive any income, regular contributions, and/or benefits on his/her own behalf or on behalf of another individual in the household. An adult with minimal income is an adult who has a gross annual income which is less than $2,400 per year.

For purposes of this ACOP, adult family members with only non-recurring income are considered zero income adults.

Zero income adults and adults reporting minimal income are required to report monetary and/or non-monetary changes in income or benefits between regular reexaminations. HABC will process an increase in rent when a zero income or minimal income adult reports an increase in income or benefits between regular reexaminations.

Once income/benefits are received and reported by an adult with zero and/or an adult reporting only minimal income, subsequent increases in income/benefits between regular reexaminations do not need to be reported until the next regular reexamination. See **REEXAMINATION FREQUENCY** for policy on reexam frequency for zero and minimal income adults.

14.18.2 Zero Income or Minimal Income

A zero income household is one where no household member receives any income, contributions and/or benefits on his/her own behalf or on behalf of another individual in the household or the only income received by the entire household is income.

A minimal income household is one where the gross annual household income is less than $2,400 per year. Households that report zero income or minimal income may be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. If the family's expenses exceed the family's known income, HABC may make inquiry as to the nature of the family's accessible resources.

See the policies on verification of zero income or minimal income and reexam frequency for households reporting zero or minimal income. **ZERO & MINIMAL INCOME HOUSEHOLDS** and **REEXAMINATION FREQUENCY**

HABC will run an EIV income report on zero income and minimal income households every 180 days and take action for unreported income.

14.18.3 Interim Reexamination – Other

If at the time of regular reexamination, tenant-provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, HABC will conduct an interim reexamination if the difference in income is greater than $2,400/year.

HABC may conduct an interim reexamination at any time to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

14.19 EFFECTIVE DATES: CHANGES IN RENT AT INTERIM REEXAMINATIONS

HABC will process reexaminations after the family request or family notification of changes in income, expense, deductions, and/or household composition per the policies below.

14.20 EFFECTIVE DATES: CHANGES IN RENT AND RESIDENT CAUSED DELAYS IN PROCESSING INTERIM REEXAMINATIONS

An increase in rent, because of a reexamination, will generally be effective on the first of the month following 30 calendar days' notice to the family.

A decrease in rent because of a reexamination will generally be effective on the first of the month following the month in which the change was reported.

<u>Rent Increase</u>

Rent increases will be effective the first of the months following the 30-day notice.

MTW Policy

If a family fails to report a change within the required time frames or fails to provide all required information within the required time frames, the increase will be applied retroactively to the date it would have been effective had the information been provided on a timely basis.

The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in this ACOP or be required to make a lump sum payment.

Rent Decrease

Rent decreases will be effective on the first day of the first month after the date of the actual change leading to the interim reexamination of family income; however, if the family causes a delay in obtaining information to process the rent decrease, the rent decrease will be effective on the first day of the first month following completion of the reexamination.

If the change is not reported timely, any resulting rent decrease will be implemented no later than the first rent period following completion of the reexamination. HABC or the privately owned/managed site may apply rent decreases retroactively; however, administrative approval is required for an retro request for more than 60 days. A retroactive rent decrease may not be applied prior to the later of the first of the month following:

- The date of the change leading to the interim reexamination of family income; or
- The effective date of the family's most recent previous interim or annual reexamination (or initial examination if that was the family's last examination).

In cases where, through no fault of the resident, the change cannot be verified until after the date the change would have become effective, the change will be made retroactively to the first of the month following the date of the change leading to the interim reexamination of family.

14.21 DELAYS IN PROCESSING REEXAMINATIONS CAUSED BY HABC OR THE PRIVATELY OWNED/MANAGED SITES

If HABC or the privately owned/managed site causes the delay in the timely processing of the reexamination:

1. In the case of a rent increase, the effective date will be the first of the month following 30 calendar days' notice to the resident; and
2. In the case of a rent decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount of overpaid rent.

14.22 OTHER INTERIM REPORTING ISSUES

Any changes reported by residents other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly scheduled reexaminations.

14.23 ERRORS IN RENT CALCULATION

If HABC or the privately owned/managed site makes a calculation error at admission or during regular or interim reexaminations, an interim reexamination will be conducted to correct the error. The family will not be charged retroactively for any increase in rent. However, if the family was underpaying rent, HABC or the privately owned/managed site will increase the rent to the correct amount effective on the first of the month following 30 calendar days' notice to the family. HABC or the privately owned/managed site will credit the resident's account for rent that was overpaid due to error by HABC or the privately owned/managed site.

14.24 ABSENCE FROM THE UNIT

"Absence" and "absent" mean that no family member is residing in the unit.

To determine if the family is absent from the unit, HABC or the privately owned/managed site will:

- Conduct home visits.
- Write letters to the family at the unit; and/or
- Call and/or write the emergency contact.

Families must notify HABC or the privately owned/managed site if they are going to be absent from the unit for more than fifteen consecutive calendar days. A person with a disability may request an extension of time as a reasonable accommodation.

14.24.1 Permanently Absent Household Member

Any member of the household will be considered permanently absent if s/he is away from the unit for 6 consecutive months or more except as otherwise provided in this Chapter. A household member who is permanently absent will be removed from the lease and that person's income will no longer be counted.

Anyone who is removed from the lease must apply to HABC for public housing to be housed by HABC or in a privately owned/managed site.

14.24.2 Temporarily Absent Household Member

Generally, an individual who is or is expected to be absent from the assisted unit for less than 6 consecutive months per calendar year is considered temporarily absent.

HABC and the privately owned/managed sites will compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

14.24.3 Absence of an Entire Family

Families are required to notify HABC or the privately owned/managed site in accordance with the lease before they move out of a unit and to give HABC or the privately managed site information

about any family absence from the unit.

If the entire family is absent from the unit, without permission from HABC or the privately owned/managed site for more than 30 consecutive calendar days, the unit will be considered to be vacant and HABC or the privately owned/managed site will terminate tenancy.

In cases where the family has moved out of the unit, HABC or the privately owned/managed site will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

As a reasonable accommodation for a person with a disability, HABC or the privately managed site may approve an extension. During the period of absence, payment of the rent and other charges must remain current.

14.24.4 Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as a hospital, a nursing home, or a rehabilitation center, HABC or the privately owned/managed site will consult with a reliable qualified source as to the likelihood and timing of the family member's return. If the verification indicates that the family member will be living in a nursing home permanently, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 6 consecutive months, the family member will be considered temporarily absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with Absence of Entire Family.

14.24.5 Absence Due to Incarceration

Any member of the household will be considered permanently absent if he/she is incarcerated for 30 consecutive calendar days for drug-related or other criminal activity.

14.24.6 Absence Due to Foster Care

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

If the time is to be greater than 180 consecutive calendar days from the date of removal of the child(ren), the family may be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with HABC's occupancy guidelines.

14.24.7 Parent/Legal Guardian Absent from the Unit

When neither a parent nor a legal guardian remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period: (1) within 30 calendar days, the proposed caretaker must provide

documentation to HABC or the privately owned/managed site that s/he is seeking custody or legal guardianship of the children; (2) within 10 working days of receiving the documentation, HABC or the privately owned/managed site will screen the proposed caretaker; and (3) if the proposed caretaker passes the screening, HABC or the privately owned/managed site will enter into a lease with the proposed caretaker. If the proposed caretaker does not provide the required documentation or does not pass the screening, HABC or the privately owned/managed site will take action to gain possession of the unit.

HABC or the privately owned/managed site may obtain periodic updates from social services staff or the attorney representing the children regarding the status of the action to obtain custody or legal guardianship.

The caretaker will be allowed to remain in the unit as a visitor until he or she signs the lease or is determined to ineligible.

14.24.8 Absent Students

Full-time students who are 17 and older and 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, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of unit size. College students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 90 days per year without being considered a member of the household. Students under the age of 17 who attend school away from home will not be considered permanently absent.

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

14.24.9 Minors in the Unit on a Temporary Basis

In a joint custody arrangement, if the minor is in the household less than 90 calendar days per year, the minor will be an eligible visitor and not a family member. If both parents reside in federally assisted housing, only one parent will be able to claim the child for deductions and for determination for the occupancy standards. For situations where the minor lives with the parent for more than 90 calendar days, see Joint Custody of Dependents.

14.25 MILITARY FAMILIES – ABSENCE FROM THE UNIT & CONTINUED OCCUPANCY

If a household member is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) are counted as income.

On a case-by-case basis, HABC and the privately owned/managed sites will make reasonable exceptions with respect to program requirements for active-duty military families, to the extent HABC can do so while responsibly administering the PH program.

Exceptions will be granted at HABC's sole discretion and must be approved by the Deputy Chief for Operations or his/her designee.

Exceptions may include, but are not limited to:

- Allowing a guardian who meets HABC's or the privately owned/managed site's screening criteria to move into the assisted unit on a temporary basis to care for any dependents that the military person leaves in the unit. Income of the guardian temporarily living in the unit solely for this purpose is not to be counted in determining family income and rent.

Where a member of the family has been called into active duty, allowing the assisted tenancy and dwelling lease to remain in effect for up to 9 consecutive months even though all members of the family are temporarily absent from the assisted unit.

Until the member of the family called into active duty returns, allowing for a no-change reexamination and then completing the interim reexamination within 30 calendar days after the military family member returns.

14.26 GUESTS

HABC will reasonably accommodate a resident's overnight guests for a combined total period of up to twenty-one (21) nights in any fifty-two (52) weeks period. If HABC agrees to extend the time, HABC may impose such additional conditions as are reasonable. The term "guest" means a person temporarily staying in the Dwelling Unit with the consent of the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. An "overnight guest" means a guest who spends the night in the Dwelling Unit.

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

HABC will consider:

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

Use of the unit address as the guest's current residence for any purpose shall be construed as permanent residence.

The burden of proof that the individual is a guest rests on the family. In the absence of such proof, the individual will be considered an unauthorized occupant and HABC or the privately owned/managed site will terminate the family's lease.

If an individual other than a leaseholder is representing to an outside agency that they are residing in the resident's unit, the person will be considered an unauthorized occupant.

Residents are not allowed to have boarders and lodgers live with them.

14.27 REMAINING MEMBER OF RESIDENT FAMILY - RETENTION OF UNIT

14.27.1 Remaining Member – Retention of the Unit

Resident families who separate while being assisted under the federally assisted program will be assessed on a case-by-case basis to determine which family members remain assisted under the program.

When a new head of household is approved, whether it be an existing family member or a new family member, HABC will:

- Conduct full screening on the new head of household, including criminal background and debt screening.
- Conduct a full reexamination of household composition and income and recalculate rent. A new reexamination anniversary date will be established.

The policy pertaining to remaining members is as follows:

- To be considered the remaining member of the resident family, the person must have been previously approved by HABC or the privately owned/managed site to be living in the unit.
- A live-in aide, by definition, is not a member of the family and will not be considered a remaining member of the family.
- The head of household, the co-head, or the remaining family member of the household who has custody of any minor children will retain the federally assisted unit.
- In cases where the head of household and co-head of household have a joint custody arrangement for minor children, the original head of household will retain the federally assisted unit.
- In cases where the head of household dies, leaving minor children, the new head of household will be subject to all eligibility and admission requirements of HABC or the privately owned/managed sites. If the new head of household is a current resident of

HABC or of a privately owned/managed site, HABC will screen the resident to determine if s/he is in good standing.

- In cases where there are two adult co-heads of household with no minor children, the original head of household will retain the federally assisted unit.

- In cases where a non-related adult has been added to the household, the original head of household will retain the federally assisted unit.

- If the head of household dies or leaves the unit, a remaining adult household member may become head of household if that adult was on the lease and meets all other program eligibility and continued occupancy requirements.

- Exceptions to the "remaining family member" requirement will be reviewed by HABC or the privately owned/managed site on a case-by-case basis.

- If a separation is the result of a divorce or separation under a settlement or judicial decree, HABC or the privately managed site will follow any court determination regarding which family members will retain the federally assisted unit.

- For a minor to continue to receive assistance as a remaining family member, HABC or the privately owned/managed site must verify that the court awarded emancipated minor status to the minor or that the appropriate agency has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period of time. The adult must meet the HABC screening criteria or the screening criteria of the privately owned/managed site unless the adult is already a resident of HABC or a privately owned/managed site, in which case the adult must be a resident in good standing.

14.27.2 Remaining Members – Prior Debt

If the Head of Household dies or leaves the dwelling unit permanently for any reason, any remaining family members, who meets the remaining member requirements above, may continue to occupy the unit if there is at least one household member (not a live-in aide) or other individual of legal age who is a citizen or eligible non-citizen, and has capacity to execute the lease, in accordance with state and local laws.

HABC may permit a temporary adult guardian currently not on the lease to reside in the unit until a court-appointed guardian is established. Once established, HABC may add the new guardian as the new Head of Household in accordance with its screening policies. This would usually occur when the only remaining family members in the unit are minors, who otherwise would have to leave the unit.

HABC will not hold remaining family members under age 18 responsible for the rent arrearages incurred by the former Head of Household, nor for any amounts incurred before a new Head of Household attained age 18.

14.28 CHANGES IN UNIT SIZE

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. HABC or the privately owned/managed site may use the results of the regular or interim reexamination to require the family to move to an appropriate size unit. See Chapter 10: Transfer Policy.

HABC or the privately owned/managed site shall grant exceptions from the occupancy standards if the family requests and HABC or the privately owned/managed site determines that the exceptions are justified according to this policy. See **Occupancy Guidelines.**

HABC or the privately owned/managed site will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

HABC or the privately owned/managed site will consider the size and number of bedrooms when an exception is requested.

When a change in the circumstances in a resident family results in eligibility for another unit size, the family will be placed on the appropriate transfer waiting list.

14.29 CONTINUED ASSISTANCE FOR "MIXED" FAMILIES

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

If a mixed family does not qualify for continued assistance, the member(s) that caused the family to be ineligible for continued assistance may move, or the family may choose prorated assistance.

14.30 APPLYING UTILITY ALLOWANCES AT REEXAMINATION

For resident furnished utilities, apply utility allowance in effect at the time of the reexamination.

See **Utility Allowance Revisions** for policies on applying utility allowance revisions.

CHAPTER 15: LEASE TERMINATIONS

15.1 INTRODUCTION

This chapter presents the policies that govern voluntary termination of the lease by the family and the mandatory and voluntary termination of the lease by HABC and the privately owned/managed sites. Either party of the dwelling lease agreement may terminate the lease in accordance with the terms of the lease. When the family moves from the family's public housing unit, the family loses its rental assistance. Families living in other federally assisted housing located in the privately owned/managed sites may lose their assistance, depending on the circumstances of their move-out. Therefore, there are additional safeguards to protect the family's tenancy in federally assisted housing. Likewise, there are safeguards to protect HUD's interest in the federally assisted housing programs. HABC and the privately owned/manages sites have the authority to terminate the lease because of the family's failure to comply with HUD regulations, for serious or repeated violations of the terms of the lease, and for other good cause. HUD regulations also specify when termination of the lease is mandatory by HABC and the privately owned/managed sites.

15.2 TERMINATION BY RESIDENT

The family may terminate the lease by providing HABC or the privately owned/managed site with 30 calendar day's prior notice at any time, for any reason, as indicated in the lease. Such notice must be in writing and delivered to the property site office or HABC's central office or the privately owned/managed site or sent by pre-paid first-class mail, properly addressed. The notice of lease termination must be signed by the head of household, spouse, or co-head. When a family must give less than 30 days' notice due to circumstances beyond the family's control, HABC or the privately owned/managed site, at its discretion, may waive the 30-day notice requirement. Residents must provide HABC with seventy-two (72) advance notice of their actual move-out date so that HABC can ensure that the unit is safely secured.

15.3 MANDATORY TERMINATION

HUD requires mandatory termination of the lease for certain actions or inactions of the family. Conditions for mandatory termination include the reasons listed below.

15.3.1 Failure to Provide Consent

HABC or the privately owned/managed site will terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination.

15.3.2 Failure to Document Citizenship

HABC or the privately owned/managed site will terminate the lease if:

- A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status.

- A family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members; or

- A family member, as determined by HABC or a privately owned/managed site, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. The mandatory termination does not apply to ineligible noncitizens listed on the lease resulting in proration of assistance.

15.3.3 Failure to Disclose and Document Social Security Numbers

HABC or the privately owned/managed site will terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

HABC or the privately owned/managed site will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period not to exceed 90 calendar days from the date HABC or the privately owned/managed site determined the family to be non-compliant for circumstances beyond the participant's control. These may include, but are not limited to, delayed processing of the social security number application by the Social Security Administration, natural disaster, fire, death in the family, or other emergency.

15.3.4 Failure to Accept HABC's Offer of a Lease Revision

HABC or the privately owned/managed site will terminate the lease if the family fails to accept HABC's or the privately owned/managed site's offer of a lease revision to an existing lease, provided HABC or the privately owned/managed site has done the following:

- The revision is on a form adopted by HABC or the privately owned/managed site pertaining to requirements for notice to residents and resident organizations and their opportunity to present comments.

- HABC or the privately owned/managed site has made a written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect and

- HABC or the privately owned/managed site has specified in the offer a reasonable time limit within that period for acceptance by the family.

15.3.5 Methamphetamine Conviction

HABC or the privately owned/managed site will immediately terminate the lease if HABC or the privately owned/managed site determines that any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing.

15.3.6 Lifetime Registered Sex Offenders

Should HABC or the privately owned/managed site discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, HABC or the privately owned/managed site will immediately terminate assistance for the household member.

In this situation, HABC or the privately owned/managed site will offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, HABC or the privately owned/managed site will terminate assistance for the household.

15.3.7 Noncompliance with Community Service Requirements

HABC and the privately owned/managed sites will review compliance with the community service requirement in conjunction with the regular reexamination schedule.

15.3.8 Death of the Head of Household in a Single Member Household

HABC or the privately owned/managed site will terminate assistance for a deceased single member household. HABC or the privately owned/managed site will list the end of participation date as the date on which the family or designee of the deceased resident's estate returned the keys and signed a vacate notice; or the date the public housing lease was terminated; or the date HABC or the privately owned/managed site legally regained possession of the unit, whichever occurs first.

To permit a presumed next of kin to obtain belongings of a deceased resident left in the dwelling unit, such person must present valid picture identification and must: (1) be listed on the resident's emergency contact form; (2) present a letter of administration from a court of competent jurisdiction; or (3) present a notarized statement, in the form approved by HABC, certifying under penalties of perjury that he/she has the sole right to claim possession of the items.

15.4 ADDITIONAL AUTHORIZED REASONS FOR TERMINATION

HABC or the privately owned/managed site has the discretion to terminate the lease when and if HABC or the privately owned/managed site determines that the resident, a member of the resident's household or guest, or any other person under the resident's control participates in any of the following activities:

- Engaging in drug-related criminal activity on or off the premises;
- Illegally using a drug or a pattern of illegal use of a drug that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or by persons residing in the immediate vicinity of the premises;

- Abuse or pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (HABC will consider the use of alcohol to be a *pattern* if there is more than one incident during the previous 12 months);

- Furnishing false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers;

- Incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking (such incidents may not be construed as serious or repeated violations of the lease by the crime victim or threatened victim of such violence or stalking);

- Fleeing to avoid, or harboring someone fleeing, prosecution, 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 or violating a condition of probation or parole imposed under federal or state law;

- Any member of the household, during the household's current public housing tenancy, becoming subject to a registration requirement under a state sex offender registration program;

- Discovery of facts after admission to the program that would have made the resident ineligible;

- Discovery of materially false statements or fraud by the resident in connection with an application for assistance or with a reexamination of income;

- Failure to furnish such information and certifications regarding family composition and income as may be necessary for HABC or for the privately owned/managed site to make determinations with respect to rent, eligibility, and the appropriateness of the dwelling unit size;

- Failure to transfer to an appropriate size dwelling unit based on family composition, upon appropriate notice by HABC or the privately owned/managed site that such a dwelling unit is available;

- Failure to transfer out of a wheelchair accessible unit after it has been determined that no one in the household needs the features of the wheelchair accessible unit upon appropriate notice by HABC or the privately owned/managed site that another dwelling unit is available;

- Failure to permit access to the unit by HABC or the privately owned/managed site after proper advance notification for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the dwelling unit for re-leasing, or without advance notice if there is reasonable cause to believe that an emergency exists. A written statement specifying the purpose of HABC's or the privately owned/managed site's entry delivered to the unit at least forty-eight (48) hours before such entry shall be considered reasonable advance notification;

- Failure to inform HABC or the privately owned/managed site of the birth, adoption, or court-awarded custody of a child within 10 working days of the event;

- Failure to abide by the provisions of HABC's pet policy or a privately owned/managed site's pet policy;

- Repeated late payment of rent or other charges;

- If the family has breached the terms of a repayment agreement entered into with HABC or the privately owned/managed site;

- Violation of a federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises (inclusive of failure to appear and provide all required information during the re-examination unless the resident can show that failure to provide the information was due to circumstances beyond the resident's control;

- Engaging in or threatening violent or abusive behavior toward HABC or the privately owned/managed site personnel (abusive or violent behavior includes verbal as well as physical abuse or violence; use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior; threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence);

- Resident caused damage;

- Failure to enter into a Non-Public Housing Over-Income Lease after 24 consecutive months being over-income.

- Failing to move out of a unit to allow the rehabilitation of the unit; and

- Failing to move out of a unit when the move is for health and safety reasons.

In addition, HABC or the privately owned/managed site may terminate the lease for other grounds that constitute serious or repeated violations of material terms of the lease or for other good cause. What constitutes serious or repeated lease violations, and other good cause, is based upon the content of HABC's or the privately owned/managed site's lease. In the development of the terms of the lease, HABC and the privately owned/managed sites will consider the requirements imposed by state and local landlord-tenant law, as well as HUD regulations, federal statutes, and MTW policies.

15.4.1 Family Absence from Unit

It is reasonable that the family may be absent from the public housing unit or the privately owned/managed unit for brief periods. Absence in this context means that no member of the family is residing in the unit. The family must supply any information or certification requested by HABC or the privately owned/managed site to verify that the family is living in the unit, or explaining the family absence from the unit, including any information or certification requested by HABC or

the privately owned/managed site on the reasons for the family absences. The family must cooperate with HABC or the privately owned/managed site for this purpose.

If a family is absent from the federally subsidized unit for more than 30 consecutive calendar days, and the family does not adequately verify that they are living in the unit; HABC or the privately owned/managed site will terminate the lease.

If the family appears to have vacated the unit without giving proper notice, HABC or the privately owned/managed site will follow state and local landlord-tenant law pertaining to abandonment before taking possession of the unit.

15.4.2 Over-Income Families

See policies on over-income families in the chapter on Reexamination and Continued Occupancy. **OVER-INCOME FAMILIES.**

15.4.3 Failure to Make Payments at the Time and in the Amount Due Under the Lease

If HABC or the privately owned/managed site obtains 4 judgments against a resident for failure to pay rent in a preceding 12-month period, HABC or the privately owned/managed site may ask the Court, when filing the fifth failure to pay rent complaint for authorization to deny the resident the opportunity to keep occupancy of the unit, even if the resident pays the past due rent, and proceed with eviction. This process is known as Foreclosing the Right of Redemption. Prior to foreclosing a resident's right to redemption, HABC or the privately owned/managed site will attempt to collect the rent due and owing through home visits, rent conferences, correspondence, and offers of Tenant Readiness Training.

15.4.4 Procedural Non-Compliance

Three instances of procedural non-compliance may result in lease termination. A non-compliance violation occurs when the resident fails to observe a procedure or requirement of HABC or the privately owned/managed site, but does not misrepresent a material fact, and there is no retroactive rent owed by the family.

15.5 TERMINATING ASSISTANCE OF A VAWA OFFENDER

VAWA provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking may not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

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 resident 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 resident or lawful occupant of the 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 resident 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. If the victim does not provide the certification and supporting documentation, as required, HABC will proceed with termination of the family's assistance.

If HABC can demonstrate an actual and imminent threat to other residents or those employed at or providing service to the property if the resident's tenancy is not terminated, HABC will bypass the standard process and proceed with the immediate termination of the family's assistance.

For VAWA requirements and the policies pertaining to notification, documentation, and confidentiality, see chapters on Fair Housing and Equal Opportunity as well as on Transfer Policy in this ACOP.

15.5.1 Limits on VAWA Protections

While VAWA prohibits HABC and the privately owned/managed sites from using domestic violence, dating violence, sexual assault, or stalking as the cause for a termination or eviction action against a resident of federally subsidized housing who is the victim of the abuse, the protections it provides are not absolute. Specifically, VAWA does not limit the otherwise available authority of HABC or the privately owned/managed site to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, sexual assault, or stalking provided that HABC or the privately owned/managed site does not subject the victim to a more demanding standard than the standard to which it holds other residents.

HUD regulations authorize HABC or the privately owned/managed site to terminate the victim's assistance when a victim poses an actual and imminent threat "only when there are no other actions that could be taken to reduce or eliminate the threat."

15.6 ALTERNATIVES TO TERMINATION OF TENANCY

Upon consideration of alternatives to termination of tenancy and factors surrounding the violation, HABC or the privately owned/managed site may, on a case-by-case basis, choose not to terminate the lease subject to approval by HABC's Deputy Chief of Operations or the person designated by a privately owned/managed site to give such approvals.

15.6.1 Exclusion of Culpable Household Member

As an alternative to termination of the lease for criminal activity or alcohol abuse, HABC or the privately owned/managed site may consider exclusion of the culpable household member as documented in a memorandum of understanding. Such an alternative can be used for any other

reason where such a solution appears viable in accordance with the policies of HABC or the privately owned/managed site.

As a condition of the family's continued occupancy, the head of household must certify that the culpable household member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former household member's current address upon request by HABC or the privately owned/managed site.

15.6.2 Payment of Family Debts

If a family owes amounts to HABC or the privately owned/managed site, and there are no other lease violations, as a condition of continued occupancy, HABC or the privately owned/managed site may require the family to pay the full amount or to enter into a payment agreement. See Chapter 19: Program Integrity for additional policies on payment agreements.

15.7 CRITERIA FOR DECIDING TO TERMINATE TENANCY

15.7.1 Evidence

HUD permits HABC and the privately owned/managed sites to terminate the lease for criminal activity if a preponderance of the evidence indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted, and without satisfying the standard of proof used for a criminal conviction.

HABC and the privately owned/managed sites will use the preponderance of the evidence as the standard for making all termination decisions.

15.7.2 Consideration of Circumstances

HABC or the privately owned/managed site may consider all circumstances relevant to a particular case to determine whether or not to terminate the lease.

HABC or the privately owned/managed site will consider the following factors before deciding whether to terminate the lease for any of the HUD required lease provisions or for any other reasons:

The seriousness of the offending action, especially with respect to how it would affect other residents.

The extent of participation or culpability of the head of household, or other household members, in the offending action, including whether the culpable member is a minor, a person with disabilities, or a victim of domestic violence, dating violence, sexual assault, or stalking.

The effects that the eviction will have on other family members who were not involved in the action or failure to act.

The effect on the community of the termination, or of the failure by HABC or the privately owned/managed site to terminate the tenancy.

The effect of HABC's or the privately owned/managed site's decision on the integrity of the federally subsidized housing program.

The demand for housing by eligible families who will adhere to lease responsibilities.

The extent to which the head of household has shown personal responsibility and whether s/he has taken all reasonable steps to prevent or mitigate the offending action.

The length of time since the violation occurred, the family's recent history, and the likelihood of favorable conduct in the future.

In the case of program abuse, the dollar amount of the underpaid rent and whether or not a false certification was signed by the family.

15.7.3 Consideration of Rehabilitation

In determining whether to terminate the lease for illegal drug use or a pattern of illegal drug use, or for abuse or a pattern of abuse of alcohol, by a household member who is no longer engaging in such use or abuse, HABC or the privately owned/managed site will consider whether such household member has successfully completed a supervised drug or alcohol rehabilitation program. For this purpose, HABC or the privately owned/managed site will require the resident to submit evidence of the household member's successful completion of a supervised drug or alcohol rehabilitation program.

15.7.4 Reasonable Accommodation

If the family includes a person with disabilities, HABC's or the privately owned/managed site's decision to terminate the family's lease is subject to consideration of reasonable accommodation requests, if made by the family, in accordance with HABC's reasonable accommodation policy and procedures, which are followed by the privately owned/managed sites, federal law and HUD regulations. If a family makes a reasonable accommodation request indicating that the behavior of a family member with a disability is the reason for a proposed lease termination, HABC's Office of Fair Housing & Equal Opportunity may require documentation that the family member has a disability and will determine whether the behavior is related to the disability. If HABC's Office of Fair Housing & Equal Opportunity determines that the family member has a disability and that the behavior is related to the disability, it may engage in the interactive process with the family to address the reasonable accommodation request. HABC's Office of Fair Housing & Equal Opportunity may approve such reasonable accommodation requests if it is established that the behavior that is the basis of the proposed lease termination is being addressed such that the family is able to meet the requirements of tenancy going forward.

15.7.5 Nondiscrimination Limitation

HABC's eviction actions must be consistent with fair housing and equal opportunity requirements of federal, state, and local law and applicable HUD regulations.

15.8 NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES, AND RECORD KEEPING

15.8.1 Conducting Criminal Records Checks

HUD authorizes HABC and the privately owned/managed sites to conduct criminal records checks on public housing residents for lease enforcement and eviction. HABC policy determines when HABC and the privately owned/managed sites will conduct such checks.

HABC or the privately owned/managed site will conduct criminal records checks when it has come to the attention of HABC or the privately owned/managed site, either from local law enforcement or by other means, that an individual has engaged in the destruction of property, engaged in violent activity against another person, or has interfered with the right to peaceful enjoyment of the premises of other residents. Such checks will also include sex offender registration information. To obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records. HABC and the privately owned/managed sites will not require the resident to pay the costs of a criminal records check.

15.8.2 Disclosure of Criminal Records to Family

If HABC or the privately owned/managed site uses the authority of 24 CFR 5.903 and 5.905 to obtain criminal record information, certain protections shall be afforded to the resident before any adverse action is taken. See Chapter 4: Eligibility for Admission for additional policy and procedural information on disclosure of criminal records to the family.

The family will be given 10 working days from the date of the notice, to dispute the accuracy and relevance of the information. If the family does not contact HABC or the privately owned/managed site to dispute the information within that 10-business day period, HABC or the privately owned/managed site will proceed with the termination action. Should the resident not exercise his/her right to dispute the information prior to any adverse action, the resident still has the right to dispute the information in the grievance hearing or at court trial.

15.8.3 Lease Termination Notice: Form, Delivery, and Content of the Notice

Notices of lease termination must be in writing. The notice must state the specific grounds for termination, the date the termination will take place, the resident's right to reply to the termination notice, and the resident's right to examine the HABC or the privately owned/managed site documents directly relevant to the termination or eviction. If HABC or the privately owned/managed site does not make the documents available for examination upon request by the resident, HABC or the privately owned/managed site may not proceed with the eviction.

When HABC or the privately owned/managed site is required to offer the resident an opportunity for a grievance hearing, the notice will also inform the resident of his/her right to request a hearing in accordance with HABC's or the privately owned/managed site's grievance procedure. In these cases, the tenancy shall not terminate until the time for the resident to request a grievance hearing has expired or, if a grievance was requested, the grievance procedure has been completed.

When HABC or the privately owned/managed site is not required to offer the resident an

opportunity for a grievance hearing because HUD has made a due process determination and the lease termination is for criminal activity that threatens the health, safety, or the right to peaceful enjoyment or for drug-related criminal activity, the notice of lease termination must state that the resident is not entitled to a grievance hearing on the termination. It will specify the judicial eviction procedure to be used by HABC or the privately owned/managed site for eviction of the resident, and state that HUD has determined that the eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations. The notice will also state whether the eviction is for a criminal activity that threatens the health, safety, or the right to peaceful enjoyment of the premises of other residents or employees of HABC or the privately owned/managed site, or for a drug-related criminal activity on or off the premises.

15.8.4 Timing of the Notice

HABC or the privately owned/managed site shall give written notice of lease termination as follows:

- 30 calendar days in the case of failure to pay rent
- A reasonable period considering the seriousness of the situation (that is at least fourteen [14] calendar days but no more than thirty [30] calendar days):
    - If the health or safety of other residents, HABC employees or contractors, or persons residing in the immediate vicinity of the premises is threatened.
    - If any member of the household has engaged in any drug-related criminal activity or violent criminal activity.
    - If any member of the household has been convicted of a felony.
    - If any of the following occurs, provided that a thirty (30) day notice of termination will be given in lieu of any shorter period if the situation does not result in a threat to the health or safety of other residents, HABC employees or contractors, or persons residing in the immediate vicinity of the premises:
        - If illegal drugs are seized from the unit by any law enforcement officer.
        - If any fire on the premises results from the deliberate, reckless, or negligent act of the resident, a member of the resident's household, a guest, or any other person under the resident's control, or from the inaction of such person(s). Examples of such conduct include but are not limited to: (a) arson; (b) a violation of the HABC Smoke-Free Policy; (c) a flammable material left within the reach of children; or (d) leaving an ignited stove or other heat-producing equipment unattended.
        - If a gun is seized from the resident or a household member by a law enforcement officer on or off the premises.

- If the resident, a member of the resident's household, a guest, or any other person under the resident's control unlawfully, recklessly, or negligently possesses a gun or other weapon on the premises.

- If the lease violation is due to the undisclosed or unauthorized occupancy of a person who is subject to a sex offender registration requirement in the unit.

- If the resident refuses or impedes access to the unit to HABC as provided in the lease, to perform an inspection, repair, or maintenance, including inspection or treatment for bedbugs, rodents, and/or other pests, or the resident fails to perform pre-treatment preparation as required by the lease; or

- If the resident violates the HABC Pet Policy.

- Thirty (30) calendar days in any other case, except that if a state or local law allows a shorter notice period, such shorter period shall apply.

The family must notify HABC at least seventy-two (72) hours before the actual move-out from the unit, as required by local law. The Notice to Vacate that may be required under state or local law may be combined with or run concurrently with the notice of lease termination.

15.8.5 Notice of Nonrenewal Due to Community Service Noncompliance

When HABC finds that a family is in noncompliance with the community service requirement, the resident and any other non-compliant resident must be notified in writing of this determination. Notices of noncompliance will be issued in accordance with the requirements and policies in this ACOP.

15.8.6 Notice of Termination Based on Citizenship Status

In cases where termination of tenancy is based on citizenship status, HUD requires the notice of termination to advise the family of the reasons the family's assistance is being terminated and to advise the family of any of the following that apply: the family's eligibility for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, the family's right to request an appeal to the U.S. Citizen & Immigration Services (USCIS) of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and the family's right to request an informal hearing with HABC either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Please see the Informal Hearing for Non-Citizens chapter in this ACOP for HABC's informal hearing procedures.

15.8.7 Eviction Notice

HABC or the privately owned/managed site may only evict the resident from the unit by instituting a court action and obtaining a court order awarding possession to HABC or the privately owned/managed site.

HABC and the privately owned/managed sites shall not proceed with an eviction action if it has

not made available the documents to be used in the case against the family and has not afforded the family the opportunity to examine and copy such documents in accordance with the provisions of federal law and HUD regulations.

15.8.8 Notification to Post Office

When HABC or a privately owned/managed site evicts an individual or family for criminal activity, including drug-related criminal activity, HABC or the privately owned/managed site will notify the local post office serving the dwelling unit that the individual or family is no longer residing in the unit.

CHAPTER 16: INFORMAL HEARINGS FOR APPLICANTS

16.1 INTRODUCTION

Applicants who are denied admission to the program because they are determined to be ineligible or because HABC has no units in its inventory, which includes units in the privately owned/managed sites, to accommodate the size of the household, will be given written notification promptly, including the reason for the denial and offering them an opportunity for an informal hearing.

16.2 INFORMAL HEARING PROCESS

Informal hearings provide applicants the opportunity to review the reasons for denial of admission and to present evidence to refute the grounds for denial. An applicant is someone who has applied for admission to the public housing program but is not yet a resident in an HABC unit or in a privately owned/managed unit occupied from an HABC public housing waiting list. Applicants are not entitled to the same hearing process afforded residents under the grievance procedures of HABC or the privately owned/managed sites.

16.2.1 Notice of Denial

HABC or the privately owned/managed site will give an applicant prompt notice of a decision denying eligibility for admission. The notice will contain a brief statement of the reasons for the decision and will also state that the applicant may request an informal hearing to dispute the decision. The notice will describe the process for requesting an informal hearing.

Before the applicant is denied based on information obtained from criminal or sex offender registration records, the applicant must be given the opportunity to dispute the information in those records which would be the basis of the denial. The applicant may request an administrative review within 10 working days of being notified that HABC or the privately owned/managed site intends to deny the applicant based on criminal or sex offender records. Applicants who request an administrative review and whose admission is denied may still request an informal hearing in accordance with the procedures set forth in section 15.2.2 of this chapter upon being notified of the denial.

16.2.2 Scheduling an Informal Hearing

Applicants must submit their request for an informal hearing in writing to HABC or the privately owned/managed site within 10 working days from the date of the notification of their ineligibility.

If the applicant requests an informal hearing, HABC or the privately owned/managed site will provide an informal hearing within 10 working days of receiving the request. HABC or the privately owned/managed site will notify the applicant of the place, date, and time of the informal hearing.

16.2.3 Reasonable Accommodation Related to Informal Hearing Process

Applicants who have a disability and need a reasonable accommodation to participate in the informal hearing process may request a reasonable accommodation during any stage of the informal

hearing process. HABC and the privately owned/managed sites will consider such requests for reasonable accommodations.

16.2.4 Conducting an Informal Hearing

Informal hearings will be conducted by an impartial hearing officer. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of that person.

The applicant may bring to the hearing any documentation or evidence s/he wishes and the evidence along with the data compiled by HABC and/or the privately owned/managed site will be considered by the hearing officer.

The hearing officer will decide based upon the merits of the evidence presented by both sides.

16.2.5 Informal Hearing Decision

Within 10 working days of the date of the hearing, the hearing officer will mail a written decision explaining the reason(s) for the decision to the applicant, his or her representative (if any), and provide a copy of the decision to HABC's Admissions and Leasing staff and, if applicable, to the privately owned/managed site to place in the applicant's file.

In rendering a decision, the hearing officer will evaluate the following matters:

- Whether or not the grounds for denial were stated factually in the notice.
- Whether the grounds for denial of admission are in accordance with HUD regulations and/or directives, HABC policy, the privately owned/managed site's admissions criteria, if applicable, and/or applicable state and/or local laws. See Chapter 4: Eligibility for Admission for a detailed review of the grounds for applicant denial.
- Whether the facts presented support the grounds for denial of admission.
- In cases where the applicant makes a reasonable accommodation request to overturn the denial because of the person's disability, whether the applicant has provided evidence that he or she has a disability that was the reason for the behavior or activity that resulted in the denial and whether the applicant is taking steps to address the disability such that he or she will be able to comply with the requirements of tenancy and program rules.

If the informal hearing decision overturns the denial, processing for admission will resume.

If the applicant fails to appear for his/her informal hearing, the denial of admission will stand, and the applicant will be so notified.

16.2.6 Retention of Documents

See Chapter on **RECORD KEEPING.**

CHAPTER 17: INFORMAL HEARINGS: NON-CITIZENS

17.1 INFORMAL HEARINGS WITH REGARD TO NON-CITIZENS

HABC and the privately owned/managed sites will comply with HUD regulations and procedures with respect to applicants who are pending a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated while HABC's hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

17.1.1 Notice of Denial or Termination of Assistance

The notice of denial or termination of assistance for non-citizens must advise the family of any of the following that apply:

- That financial assistance will be denied or terminated and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a resident, what the criteria and procedures for obtaining relief are under the provisions for preservation of families.
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with HABC or the privately owned/managed site either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

17.1.2 United States Citizenship and Immigration Services Appeal Process

When HABC or a privately owned/managed site receives notification that the USCIS secondary verification failed to confirm eligible immigration status, HABC or the privately owned/managed site will notify the family of the results of the USCIS verification. The family will have 30 calendar days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide HABC or the privately owned/managed site with a copy of the written request for appeal and proof of mailing.

HABC or the privately owned/managed site will notify the family in writing of the results of the USCIS secondary verification within 10 working days of receiving the results. The family must provide HABC or the privately owned/managed site with a copy of the written request for appeal and proof of mailing within 10 working days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to HABC or the privately owned/managed site, of its decision. When the USCIS notifies HABC or the privately owned/managed site of the decision, HABC or the privately owned/managed site will notify the family of its right to request an informal hearing.

HABC or the privately owned/managed site will send written notice to the family of its right to request an informal hearing within 10 working days of receiving notice of the USCIS decision regarding the family's immigration status.

17.1.3 Informal Hearing Procedures for Residents Who Are Non-Citizens Pending a USCIS Appeal

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, a resident family may request that HABC or the privately owned/managed site provide a hearing. The request for a hearing must be made either within 30 calendar days of receipt of HABC's or the privately owned/managed site's notice of termination, or within 30 calendar days of receipt of the USCIS appeal decision.

The informal hearing procedures for resident families whose tenancy is being terminated based on immigration status are the same as for any grievance under the grievance procedures for resident families.

17.1.4 Informal Hearing Procedures for Applicants

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, an applicant family may request that HABC or the privately owned/managed site provide a hearing. The request for a hearing must be made either within 30 calendar days of receipt of HABC's or the privately owned/managed site's notice of denial, or within 30 calendar days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

HABC or the privately managed site will provide an informal hearing before an impartial individual, who may be an HABC employee or an employee of the privately owned/managed site, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

Evidence

The family must be provided the opportunity to examine and copy at the family's expense, at a

reasonable time in advance of the hearing, any documents in the possession of HABC or the privately owned/managed site pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

The family will be allowed to copy any documents related to the hearing at the family's own cost. The family must request discovery of HABC documents or the privately owned/managed site documents no later than 12:00 p.m. two working days prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by HABC or the privately owned/managed site, and to confront and cross-examine all witnesses on whose testimony or information HABC or the privately owned/managed site relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to request an interpreter. HABC or the privately owned/managed site will provide a competent interpreter, free of charge, upon request. The family may also, or instead, provide its own interpreter, at the expense of the family.

Recording of the Hearing

The family is entitled to have the hearing recorded by audiotape. HABC or the privately owned/managed site may, but is not required to, provide a transcript of the hearing. A transcript of an audio taped informal hearing will not be provided by HABC or the privately owned/managed site.

Hearing Decision

HABC or the privately owned/managed site will provide the family with a written notice of the final decision, based solely on the facts presented at the hearing, within 10 working days of the date of the informal hearing. The notice must state the basis for the decision.

CHAPTER 18: COMPLAINTS AND GRIEVANCES

18.1 INTRODUCTION

A resident may submit a grievance to the Asset Manager for the property in which the resident resides. The grievance process consists of two steps: (1) the informal resolution process and (2) the hearing process. The grievance process is described in HABC's Resident Grievance Policy, which can be found in Appendix I: **GRIEVANCE POLICY & PROCEDURE**

CHAPTER 19: COMMUNITY SERVICE

19.1 OVERVIEW

Residents must comply with the community service and self-sufficiency requirement (CSSR), as required by law. Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities. In administering community service requirements, HABC and the privately owned/managed sites will comply with all nondiscrimination and equal opportunity requirements.

19.2 EXEMPT RESIDENTS

An adult (meaning a person aged 18 or older) is considered exempt from the CSSR when they are:

62 years of age or older;

Blind or disabled (as defined under 216(i)(1) or 1614 of the Social Security Act) and who certify that, because of this disability, they are unable to comply with the service provisions of this subpart, or is a primary caretaker of such individual;

Engaged in work activities (see WORK ACTIVITIES);

Able to meet requirements under a state program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.) or under any other welfare program in Maryland, including a state-administered Welfare-to-Work program (this exemption applies to anyone whose characteristics or family situation meet the welfare agency exemption criteria and can be verified);

A member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.), or under any other welfare program of Maryland, including a state-administered Welfare-to-Work program, and the Supplemental Nutrition Assistance Program (SNAP), and has not been found by the state or other administering entity to be in non-compliance with such program; or

Is a member of a Non-Public Housing Over-Income family.

Individuals who have special circumstances which they believe will prevent them from completing the required community service hours for a given month, must notify HABC or the privately owned/managed site in writing. HABC or the privately owned/managed site will review the request and notify the individual of its determination. HABC or the privately owned/managed site may require those individuals to provide documentation to support their claim.

HABC or the privately owned/managed site will make the final determination as to whether to grant an exemption from the community service requirement. If a resident does not agree with HABC's or the privately owned/managed site's determination, the resident may dispute the decision through HABC's or the privately owned/managed site's grievance procedures, whichever is applicable.

19.3 WORK ACTIVITIES

An individual may be exempt from the CSSR requirement because he/she is engaged in work activities. Twenty (20) hours per week is the minimum number of hours for a work activity to be eligible for the exemption.

The person must be participating in an activity that meets one of the following definitions of *work activity* contained in Section 407(d) of the Social Security Act (42 U.S.C. Section 607(d)):

a. Unsubsidized employment;

b. Subsidized private sector employment;

c. Subsidized public-sector employment;

d. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

e. On-the-job-training;

f. Job-search and job readiness assistance;

g. Community service programs;

h. Vocational educational training (not to exceed 12 months with respect to any individual);

i. Job-skills training directly related to employment;

j. Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;

k. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate.

19.4 BASIC COMMUNITY SERVICE & SELF-SUFFICIENCY REQUIREMENT

- Each non-exempt adult in a household must contribute and document 8 hours of community service per month or participate in an economic self-sufficiency program for 8 hours per month.

- The CSSRs may also be met by performing a combination of community service and participation in an economic self-sufficiency program.

- The CSSR activities may be completed at 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed annually.

- Political activity is excluded.

- Work activity must not take the place of work performed by paid employees; however, residents may do community service on HABC or the privately owned/managed site property or with or through HABC or the privately owned/managed site programs to assist or enhance work done by an HABC or the privately owned/managed site employee.

- At lease execution and regular reexamination, each adult member (18 or older) of a federally assisted housing resident household must sign an acknowledgement that he/she has received and read the CSSR. Further the resident acknowledgement includes resident understanding that failure to comply with the CSSR will result in lease nonrenewal.

- Residents must provide notice to HABC or the privately owned/managed site of a change in exempt status.

19.5 OBLIGATIONS OF HABC AND THE PRIVATELY OWNED/MANAGED SITES

HABC or the privately owned/managed site will give each household a written description of the community service policy including the policy for claiming status as an exempt person, and the policy for HABC or the privately owned/managed site to verify exempt status. Such description will be provided at lease-up. At lease renewal and when a family member is determined to be subject to the community service requirement during the lease term, the family must sign a certification that they have received the community service policy and understand, if they are not exempt, failure to comply with the requirement, will result in non-renewal of their lease. At each regular reexamination, families will be required to certify their CSSR status. Non-exempt individuals will be required to certify the completion of required CSSR hours.

The Office of Resident Services (ORS) shares available CSSR activities and employment and training opportunities with Housing Operations to assist non-exempt family members in meeting the community service and self-sufficiency requirement.

To the greatest extent possible and practicable, HABC and its asset managers and the privately owned/managed sites and their property managers will:

- Provide names and contacts at agencies that can provide opportunities for residents, including those with disabilities, to fulfill their CSSR; and

- Provide referrals for volunteer work or self-sufficiency programs.

Additionally, HABC and the privately owned/managed sites will:

- Provide the household with recording/certification documentation forms and a copy of the Community Service policy;

- Determine exemption status regarding community service;

- Review family compliance with CSSRs at least 30 days before the end of the lease term and will verify such compliance in conjunction with the regular reexamination schedule;

- Take appropriate action for failure to comply with the CSSR; and

- Follow HUD guidance on self-certifications of completion of the CSSR.

19.6 COMMUNITY SERVICE

Community Service is volunteer work that benefits the property or the local neighborhood. Eligible community service activities include, but are not limited to:

- Serving at local public or nonprofit institutions, such as: schools, Head Start Programs, before-or after-school programs, childcare centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult daycare programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing);

- Serving at non-profit organizations serving HABC residents or their children or the residents of the federally assisted units in the privately owned/managed sites and their children, such as: Boy or Girl Scouts, Boys or Girls Club, 4-H Clubs, Police Activities League (PAL), organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, Garden Centers, community clean-up programs or beautification programs.

- Serving at programs funded under the Older Americans Act, such as: Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels.

- Serving at public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods or performing arts.

- Serving at HABC properties or the privately owned/managed sites to improve grounds or provide gardens (so long as such work does not alter HABC's or the privately owned/managed site's insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board, outreach and assistance with HABC or the privately owned/managed site-run self-sufficiency activities including supporting computer learning centers; and

- Providing care for the children of other residents so parents may volunteer.

19.7 SELF-SUFFICIENCY ACTIVITIES

For purposes of satisfying the CSSR, an *economic self-sufficiency program* is defined by HUD as: Any program designed to encourage, assist, train, or facilitate economic independence of assisted households or to provide work for such households. The self-sufficiency hours counted toward the monthly community service requirement will be the hours when a non-exempt adult is actually attending class or engaged in job training; it will not include time in transit.

Economic self-sufficiency programs include, but are not limited to:

- Job readiness or job training while not employed;
- Training programs through local One-Stop Career Centers, Workforce Investment Boards (local entities administered through the U.S. Department of Labor), or other training providers;
- Higher education (junior college or college) or GED classes;
- Apprenticeships (formal or informal);
- Substance abuse or mental health counseling.
- Reading, financial and/or computer literacy classes.
- English as a second language and/or English proficiency classes; and
- Budgeting and credit counseling.

19.8 COMMUNITY & SELF-SUFFICIENCY REQUIREMENT PARTNERSHIPS

HABC or the privately owned/managed site may, through their Family Self-Sufficiency programs, coordinate Individual Training and Service Plans (ITSPs) with the CSSR. Specific CSSR activities may be included in the ITSPs to enhance a person's progress toward self-sufficiency. Regular meetings with service coordinators may satisfy CSSR activities. Service coordinators may verify community service hours within individual monthly logs.

19.9 DOCUMENTATION AND VERIFICATION

19.9.1 Exemption Status

All family members who claim they are exempt from the community service requirement will be required to sign HABC's community service exemption certification form. HABC will provide a completed copy to the family and will keep a copy in the tenant file.

HABC or the privately owned/managed site will verify that an individual is exempt from the community service requirement by following the verification hierarchy and documentation requirements in this ACOP.

HABC or the privately owned/managed site will make the final determination whether or not to grant an exemption from the community service requirement. If a resident does not agree with the determination, they can dispute the decision through the HABC's grievance procedures.

19.9.2 Compliance

If qualifying activities are administered by an organization other than HABC, a family member who is required to fulfill a service requirement must provide one of the following at each regular reexamination:

- A signed certification to HABC by such other organization that the family member has performed such qualifying activities; or
- A signed self-certification to HABC by the family member that he or she has performed such qualifying activities.

If a signed self-certification is used to verify CSSR requirements, the signed self-certification must include the following:

- A statement that the resident contributed at least 8 hours per month of community service not including political activities (see **COMMUNITY SERVICE**); or participated in an economic self-sufficiency program as set forth in (**SELF-SUFFICIENCY ACTIVITIES**) above for at least 8 hours per month.
- The name, address, and a contact person at the community service provider; or the name, address, and contact person for the economic self-sufficiency program.
- The date(s) during which the resident completed the community service activity or participated in the economic self-sufficiency program.
- A description of the activity completed; and
- A certification that the resident's statement is true.

HABC and the privately owned/managed sites will follow HUD guidance on self-certifications of completion of the CSSR.

If anyone in the household is subject to the community service requirement, HABC or the privately owned/managed site will provide the household with community service documentation forms.

At lease execution and during the regular reexamination process, each adult member (18 or older) of a federally assisted housing resident household must sign an acknowledgement that he/she has received and read the CSSR. Further the resident acknowledgement includes a statement that the resident understands that failure to comply with the CSSR ~~lease~~ termination of tenancy.

At lease execution and during the regular reexamination process each exempt adult member must provide documentation that they are exempt from the CSSR.

If HABC or the privately owned/managed site has reasonable cause to believe that the certification provided by the household is false or fraudulent, HABC or the privately owned/managed site has the right to request additional documentation to verify CSSR participation.

HABC or the privately owned/managed site will retain reasonable documentation of service requirement performance or exemption in participant files.

HABC or the privately owner/managed site will conduct QC on the required sample size of CSSR certifications.

19.10 CHANGE IN STATUS BETWEEN ANNUAL DETERMINATIONS

19.10.1 Exempt to Non-Exempt Status

If an exempt individual becomes non-exempt during the lease term, it is the household's responsibility to report this change to HABC or the privately owned/managed site within 10 working days.

After reporting such a change, or HABC or the privately owned/managed site determining such a change is necessary, HABC or the privately owned/managed site will provide written notice of the effective date of the CSSR requirement, a list of agencies in the community that provide volunteer and/or training opportunities or other activities that qualify, as well as a documentation form on which the household member may record the activities performed and number of hours contributed.

The effective date of the community service requirement will be the first of the following month.

19.10.2 Non-Exempt to Exempt Status

If a non-exempt person becomes exempt before the next regular reexam, it is the household's responsibility to report this change to HABC or the privately owned/managed site within 10 working days. Any claim of exemption will be verified by HABC or the privately owned/managed site.

After reporting such a change, or HABC or the privately owned/managed site determining such a change is necessary, HABC or the privately owned/managed site will provide the household written notice that the household member is no longer subject to the community service requirement.

The exemption will be effective immediately.

19.11 NOTICE OF NON-COMPLIANCE OF A NON-EXEMPT HOUSEHOLD MEMBER

In the event a resident does not provide documentation of the CSSR, the resident will have 5 working days to submit to HABC, or the privately owned/managed site required documentation form(s). If the resident fails to submit the documentation within the required time frame or within any HABC or the privately owned/managed site approved extension, the resident will be considered non-compliant with the CSSR and a notice of non-compliance will be issued. The notice of non-compliance will include:

- A brief description of the finding of non-compliance with the CSSR.

- A statement that HABC or the privately owned/managed site will terminate the tenancy before the next regular reexamination unless the resident enters into a written cure agreement with HABC or the privately owned/managed site or the household provides written assurance that is satisfactory to HABC or the privately owned/managed site explaining that the non-compliant resident no longer resides in the unit. Such written work-out agreement must include the means through which a non-compliant family member will comply with the CSSR requirement.

The notice must also state that the tenant may request a grievance hearing on the determination, in accordance with the HABC's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for the HABC's nonrenewal of the lease because of the determination.

19.12 ENFORCEMENT DOCUMENTATION

If a resident is non-compliant with the CSSR, HABC or the privately owned/managed site will terminate the tenancy before the next regular reexamination unless the resident agrees to enter into a cure agreement, or the household provides a written declaration that the non-compliant household member no longer resides in the unit

The cure agreement includes the means through which a non-compliant household member will comply with the CSSR requirement. The household will have 10 working days from the date of the notice of non-compliance to enter into a cure agreement to cure the non-compliance before the next reexamination. If after the cure period, the household member is still not compliant with the CSSR, HABC or the privately owned/managed site shall terminate tenancy of the entire household, in accordance with the lease, unless the household provides documentation that the non-compliant household member no longer resides in the unit.

If the household reports that a non-compliant household member is no longer residing in the unit, the household must provide documentation that the household member has actually vacated the unit before HABC, or the privately owned/managed site will agree to continued occupancy of the household. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the household member that previously resided with them.

If the household does not request a grievance hearing or does not take corrective action required by the notice of noncompliance within the required 10 business day timeframe, HABC or the privately owned/managed site will terminate tenancy in accordance with the lease termination policy found in this ACOP.

19.12.1 Continued Non-compliance and Enforcement Documentation

Should a family member refuse to sign a written work-out agreement, or fail to comply with the terms of the work-out agreement, HABC or the privately owned/managed site will initiate termination of tenancy proceedings at the end of the current lease term for failure to comply with lease requirements. When initiating termination of tenancy proceedings, HABC or the privately owned/managed site will provide the following procedural safeguards:

- Adequate notice to the tenant of the grounds for terminating the tenancy and for non-renewal of the lease;

- Right of the tenant to be represented by counsel;

- Opportunity for the tenant to refute the evidence presented by HABC or the privately owned/managed site, including the right to confront and cross-examine witnesses and present any affirmative legal or equitable defense which the tenant may have; and

- A decision on the merits.

The household will have 10 working days from the date of the notice of non-compliance to provide documentation that the non-compliant resident no longer resides in the unit, or to request a grievance hearing.

If the household reports that a non-compliant household member is no longer residing in the unit, the household must provide documentation that the household member has actually vacated the unit before HABC, or the privately owned/managed site will agree to continued occupancy of the household. Documentation should consist of a certification signed by the head of household as well as evidence of the current address of the household member that previously resided with them.

If the household does not request a grievance hearing or does not take corrective action required by the notice of noncompliance within the required 10 business day timeframe, HABC or the privately owned/managed site will terminate tenancy in accordance with the lease termination policy found in this ACOP.

19.13 IMPLEMENTATION OF COMMUNITY SERVICE

HABC and the privately owned/managed sites will not substitute any community service or self-sufficiency activities performed by residents for work ordinarily performed by HABC or the privately owned/managed site employees or replace a job at any location where residents perform activities to satisfy the service requirement.

19.14 CSSR COORDINATION WITH GROW PROGRAM

Upon implementation of the Getting Ready for Opportunities to Work (WORK) program, HABC will coordinate the timeline for compliance with the CSSR and GROW requirements. Specifically, if a non-exempt family member is subject to the CSSR and GROW, they will be referred to resident services who will address both the CSSR and GROW requirement. If within 180 days of the GROW contract effective date, the family member gets a job (at least 20 hours per week) or enrolls in an approved education, program, the family member will meet the requirement for exemption from CSSR due to enrollment in “work activities”.

CHAPTER 20: FAMILY SELF-SUFFICIENCY

20.1 OVERVIEW

The mission of the FSS program is to assist enrolled families by maintaining an FSS Program which provides case management and peer support, coordinates with local resources and services needed by FSS participants, and offers concrete incentives, such as the FSS escrow account, to encourage families to set and achieve their short and long term goals toward employment and economic self-sufficiency. Additionally, among the goals of the FSS program is to reduce the dependency on welfare and housing assistance and to enhance participants' abilities to achieve homeownership, if desired.

The FSS program helps eligible families work towards economic independence and self-sufficiency over the term of the contract by supporting the family's efforts to:

- Increase their earned income;
- Build financial capacity; and,
- Achieve their financial and personal goals.

Under its approved Moving to Work Agreement and MTW Plans, HABC has modified and enhanced the Family Self-Sufficiency (FSS) program in an effort to encourage participation and support completion of the program. The policies contained in this chapter reflect HABC's MTW FSS program.

HABC's FSS Action Plan describes HABC's local policies for operation of the FSS program in the context of federal laws, HABC's MTW policies and regulations.

20.2 DEFINITIONS

- Effective date of Contract of Participation (CoP*)* - means the first day of the month following the date in which the FSS family and HABC entered into the CoP.
- Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.
- Seek Employment: The obligation to seek employment means searching for jobs, applying for employment, attending job interviews, and otherwise following through on employment opportunities.
- Suitable Employment: A determination of suitable employment shall be made by HABC with the agreement of the affected participant, based on the skills, education, job training, receipt of other benefits of the household member, and based on the available job opportunities within the community.

20.3 PROGRAM BENEFITS AND ROLES AND RESPONSIBILITIES

FSS staff will provide technical assistance and support, information and referral, and program activities (such as workshops, peer groups meetings, recreational events, etc.) to participants throughout their FSS participation in order to assist the family in meeting their goals. It is to be expected that the types and level of assistance will vary over time, depending on each family's situation. The FSS Coordinator will establish program expectations around communication methods and frequency in order to maintain regular contact with participating families; beyond this, it is the role of the family to initiate contact if they feel that they need additional services, resources, or support.

20.4 OUTREACH

HABC will establish procedures to ensure that eligible families are informed about the program, offered the opportunity to enroll on a voluntary basis, offered a thorough family and employment development assessment, and assisted in identifying employment and other self-sufficiency goals for the participation period. Outreach is done primarily in areas where there exists a high concentration of HABC family development sites.

Outreach efforts will be targeted equally to all families, using materials in both English and other commonly spoken languages to ensure that non-English and limited English-speaking families receive information and have the opportunity to participate in the FSS Program. In conducting outreach, HABC will account for the needs of person with disabilities, including persons with impaired vision, hearing or mobility, and provide effective communications to ensure that all eligible who wish to participate are able to do so.

20.5 PROGRAM SIZE

Over time, HABC hopes to serve all families who are interested in participating in the FSS Program. The number of spaces available in the program at any given time, however, will be limited by the program's resources, including the number of FSS coordinators funded to work with FSS participants. New families will be admitted to the FSS program as space permits.

20.6 HEAD OF THE FSS FAMILY

The head of the FSS family is designated by the participating family. HABC may make itself available to consult with families on this decision, but it is the assisted household that chooses the head of the FSS family that is most suitable for their individual household circumstances. Any adult household member can be designated as the head of the FSS family. The designation or any changes by the household to the head of the FSS family must be submitted to HABC in a form development by HABC. Both the head of household and head of the FSS family will sign a form stating that they have approved this designation prior to the CoP effective date.

- The head of FSS family is the individual who will complete and sign the CoP.

- The head of FSS family will be responsible for meeting the goals set in the ITSP and for all other responsibilities as defined in the CoP and the ITSP associated with the FSS Program, including finding and maintaining suitable employment.

- The head of FSS family will receive the escrow check at graduation.

20.7 FAMILY SUPPORT NEEDS

To help determine the supportive services needs of each family, the FSS coordinator will work with the family to complete an initial informal needs assessment for that family before completion of the initial Individual Training Service Plan (ITSP) and signing of the contract of participation. The supportive service needs may also be based on experience with past FSS or other supportive service participants and input form the PCC or other service providers.

After enrollment in the FSS program, the FSS coordinator may make referrals to partner agencies for completion of one or more formal needs assessments. These assessments may focus on such issues as: employment readiness and employment training needs, educational needs related to secondary and post-secondary education, financial health, and other topics, depending on the needs and interests of the family.

The formal assessments may lead to adjustments to the Individual Training Service Plan, if requested by the family.

20.8 RE-ENROLLMENT POLICY

The following previous FSS families will be allowed to re-enroll in HABC's FSS program:

- FSS participants who withdrew voluntarily;
- Families involuntarily terminated; and,
- Family member who were not Heads of FSS Family previously.

The following conditions apply to re-enrollment:

- FSS participants who have withdrawn voluntarily, and families involuntarily terminated from the FSS program prior to five (5) years of the date of termination.
- Family members on the lease will be eligible to re-enroll as the head of FSS family.
- Family members who were not heads of the FSS family previously can enroll immediately in the program, if there was no escrow payout.
- The head of FSS family must adhere to all rules and regulations with the intent to successfully graduate from the program.

20.9 PROGRAM COORDINATING COMMITTEE

To ensure ongoing coordination of services, the Program Coordinating Committee (PCC) assists HABC in securing commitments of public and private resources for the operation of the FSS program and helps the FSS program to identify and build strong referral relationships with providers of supportive services that meet the needs of FSS participants.

The PCC will consist of the following representatives:

1. One or more FSS Program Coordinators;

2. One or more participants from each HUD rental assistance program served by the FSS program; and,

3. Representatives from a variety of agencies and individuals, which include but are not limited to the following:

    - Workforce
    - Banking Institutions – Financial Literacy Education
    - Education
    - Skills Training
    - Small Business Development
    - Mental Health Care
    - Crisis Services
    - Childcare Services
    - Homeownership
    - Legal Services

20.10 SELECTION OF FSS PARTICIPANTS

FSS participants will be selected from the universe of current HCV and public housing participants. Participation is on a voluntary basis. Any public housing participant who expresses an interest will be afforded the chance to participate in the FSS program.

A waiting list will be maintained for families whose applications cannot be accepted at the time of initial application due to program capacity limits. The waiting list will include the name and contact information for the head of household of the applicant family, the date of their application and goals intended to accomplish.

Families will be selected based on the date and time the family expressed an interest in participating in FSS. There are no selection preferences for participation in HABC's FSS program. Families will be selected in a nondiscriminatory manner without regard to race, color, religion, gender, family status, national origin, sexual orientation, or handicap.

20.11 ELIGIBILITY

All families participating in HABC's Public Housing program, Housing Choice Voucher Tenant-Based Voucher program, Family Unification Program (FUP), and Veteran Affairs Supportive Housing (VASH) program are eligible to enroll in the FSS program. Household members must be 18 years of age and older to participate in the FSS program. HABC will not use any motivational screening factors to measure a family's interest and motivation to participate in the FSS program.

HABC will use the following criteria to determine eligibility for participation in the FSS program:

- Must be a current participant in one of the following programs: HABC's Public Housing program, Housing Choice Voucher Tenant-Based Voucher program, Family Unification Program (FUP), or Veteran Affairs Supportive Housing (VASH) program.

20.12 FSS CONTRACT OF PARTICIPATION

A family enrolls in the FSS Program, with all rights and responsibilities, by entering into an FSS Contract of Participation (CoP), including an Individual Training and Services Plan (ITSP), and signing the CoP with HABC. FSS participants are subject to all applicable regulations and policies that are stipulated in the CoP.

HABC will use the income taken from the amounts on the last reexamination or interim determination before the family's initial participation in the FSS program. The CoP shall state that each FSS Family will be required to fulfill CoP obligations no later than the completion date of the CoP.

In order to maintain good standing in the FSS Program, with all attending program benefits, the participating family must remain in compliance with all terms of the FSS CoP, which includes the ITSP and the family's lease. HABC will establish procedures for addressing situations in which a family is not in compliance with the FSS CoP.

Prior to enrollment in the FSS Program, the family will set personal achievable goals and specific interim goals as a means to measure the family's progress toward achieving economic independence. The designated head of each family participating in the FSS Program must execute an FSS CoP.

The CoP incorporates the ITSP for each participating member of the family. The CoP sets forth the principal terms and conditions governing participation in the FSS program.

A family's participation in the Public Housing or HCV program will not be terminated solely for failure to comply with the FSS CoP or FSS program requirements.

MTW Policy

HABC utilizes an MTW Contract of Participation (CoP) to reflect its MTW policies. Where HABC provides existing FSS participants, the option to convert to the FSS Final Rule and sign a new CoP or retain their existing CoP, each existing FSS family will be required to make that determination by December 31, 2024. Thereafter, existing FSS participants with CoPs in place when the final rule was effective, will have their pre-final rule CoP contracts stand through the remainder of their participation.

20.12.1 Modifications to the FSS Contract of Participation

HABC and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term, and/or designation of the head of the FSS family. All modifications must be in writing and signed by HABC as well as the head of the FSS family. The Housing Authority of Baltimore City will allow modifications at any time during the term of the CoP.

HABC will allow for modifications to the CoP under the following circumstances:

- When the modifications to the ITSP improve the participant's ability to complete their obligations in the CoP or progress toward economic self-sufficiency

- When the designated head of the FSS family ceases to reside with other family members in the public housing unit, and the remaining family members, after consultation with HABC, designate another family member to be the FSS head of family.

- When a relocating family is entering the FSS program of a receiving ***PHA*** and the start date of the CoP must be changed to reflect the date the new CoP is signed with the receiving ***PHA***.

20.12.2 Contract Term & Extensions to the FSS Contract Of Participation

MTW Policy

HABC utilizes a 5-year term on all FSS CoPs, with the effective date of the CoP as the first day of the month following the date the contract is executed. The expiration date will be five years from the effective date of the CoP. All new FSS participants as well as existing participants who convert to the Final Rule contract after this change has been approved, will be subject to the MTW term of the CoP.

Non-MTW Policy

The CoP will go into effect on the first day of the month following the execution of the CoP. The initial term of the CoP will run through the five-year anniversary of the first reexamination of income that follows the execution date

Families may request up to two, one-year extensions and are required to submit a written request that documents the need for the extension. HABC will grant the extension if it finds that good cause exists to do so.

- In this context, good cause means:
    - Circumstances beyond the control of the FSS family, as determined by HABC, such as a serious illness or involuntary loss of employment;
    - Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g. completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by HABC;
- No contract extensions should be given solely to allow for participant to earn more escrow;
- Families granted extensions will continue to have amounts credited to the family's FSS account.

20.12.3 Completion of the Contract

An FSS family will successfully complete its participation, and be eligible to receive the amount in its FSS Escrow Account, less any amounts owed to HABC, when it has met the conditions established in FSS Program regulations. In most cases this will occur when the family is in good program standing, has come to the end of the contract period, and has met all goals outlined in the original or revised ITSP.

The family's contract will be considered completed if the FSS family has fulfilled all obligations under the contract on or before the expiration of the contract term (or extension). The family must provide appropriate documentation that each of the ITSP goals has been completed. HABC requires a combination of self-certification and third-party verification to document completion of ITSP goals.

A family may request to be determined to have successfully completed their FSS participation prior to the end of their contract period, and if HABC determines that they have met the requirements for successful completion they will be eligible to graduate and receive their escrow account funds.

20.12.4 Consequences of Non-Compliance With the Contract

If the family does not comply with the contract, HABC may:

- Withhold the supportive services; or
- Terminate the family's participation in the FSS program.

20.12.5 Termination of the FSS Contract

At every stage in the program, HABC will work with participants to address the challenges and barriers to their continued participation and to support their graduation from the program.

Involuntary Termination

HABC may involuntarily terminate a family from FSS under the following circumstances:

- Failure to seek and maintain suitable employment after completion of the job training programs listed in the ITSP.
- Expiration of the CoP.
- Non-compliance with the FSS rules and regulations and the case manager has been unable to locate the participant.
- Non-compliance with the terms of the lease.
- A family member did not become independent of welfare assistance and remain independent at the time of graduation.

Participants who fail to meet their obligations as described above, will be given the opportunity to attend a required meeting with the FSS Coordinator or assigned Housing Authority of Baltimore City representative to review the situation. At this meeting, a review of the CoP, ITSP, and all related documentation will be conducted, and amendments will be made as necessary (within HUD guidelines) to allow for changes in circumstances.

Failure to contact the FSS Coordinator to schedule this meeting within fourteen (14) days of a written request by the FSS program to set up a meeting or failure by the head of FSS family to attend this meeting without some type of correspondence to clarify the issue(s), may lead to termination from the program. The FSS Coordinator will also attempt to contact the participant via phone, text, in person and/or email prior to the review meeting. Participants who remain out of compliance after this meeting will be subject to termination from the FSS program.

If the initial meeting does not resolve the problem, or if the meeting is not requested by the family within the required period, notification of termination will be made to the family by letter stating:

1. The specific facts and reasons for termination;

2. A statement informing the family of their right to request an informal hearing and the date by which this request must be received (see *Grievance Procedures*);

3. A statement informing the family that termination from the FSS program for the reasons stated therein will not result in termination of the family's housing assistance. Failure to request a hearing in writing by the deadline will result in closure of the family's FSS file and all rights to a hearing will be waived. All escrow money held on the family's behalf will be forfeited in accordance with HUD regulations. Housing assistance will not be terminated based on non-compliance with the FSS program. The current amount of escrow in the family's escrow account will be included in the letter.

HABC will terminate participation in the FSS program and require forfeiture of the FSS escrow without terminating the family's lease as a consequence of not completing the obligations of the ITSP or FSS CoP. HABC will review the circumstances of the non-compliance to determine the appropriate remedy. HABC may also consider renegotiating or revising the ITSP with the family.

Voluntary Termination

Participants may also be terminated from the FSS program under the following circumstances:

1. Service Coordinator made effort to inquire about the nature of the withdrawal, attempt to prevent the withdrawal and receive a mutual consent of both parties; and/or

2. The family withdrawal from the program.

20.12.6 Termination with Escrow Disbursement

In most cases, families whose FSS contracts are terminated will not be entitled to disbursement of their accrued FSS escrowed funds. However, The CoP will be terminated with FSS disbursement of escrow when one of the following conditions occurs:

- Services that HABC and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable;

- The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless HABC and the FSS family determine that it is possible to modify the contract to designate a new head of FSS the family;

- An FSS family in good standing moves outside of HABC's jurisdiction and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

20.12.7 Grievance and Hearing Procedures

If HABC decides to withhold escrow, terminate FSS supportive services or terminate the FSS contract because the family failed to comply with its FSS contract, HABC will offer the family the opportunity for a hearing in accordance with HABC's grievance procedures.

20.13 INDIVIDUAL TRAINING AND SERVICE PLAN

As a required attachment to the FSS CoP, the family head of household also signs the FSS Individual Training and Service Plan (ITSP). The ITSP outlines the steps that the participant will take during the contract period to meet their goals and the program requirements of working toward, obtaining, and maintaining suitable employment and becoming independent of all forms of welfare assistance prior to the end of their contract period.

Each individual's ITSP will establish specific interim and final goals by which HABC and the family will measure the family's progress towards fulfilling its obligations under the CoP. The FSS Coordinator will work with each participating individual to identify additional ITSP goals that are relevant, feasible and desirable. Any such additional goals will be realistic and individualized.

The FSS ITSP may by amended by mutual agreement between the participant and the FSS program, with such changes made in writing and signed, then becoming the required attachment to the FSS COP.

The ITSP includes:

- The final and interim goals for the participating FSS family member(s);

- The supportive services to be provided to the family member(s);

- The activities to be completed by that family member(s);

- The agreed upon completion dates for the services and activities;

- For any FSS family that is a recipient of welfare assistance at the outset of the CoP or that receives welfare assistance while in the FSS program, every member of the family must become independent from welfare assistance before the expiration of the CoP. This

mandatory goal must be included in all CoPs regardless of whether the household is receiving public assistance at enrollment; and,

- A final mandatory goal to seek and maintain suitable employment. Only the FSS head is required to obtain employment as a condition of completing the contract goals.

Each ITSP must be signed by HABC and the participating FSS family member, and is attached to, and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS Program, including the head of FSS family who has signed the CoP.

20.13.1 Determination of Suitable Employment

A determination of what constitutes "suitable employment" for each family member will be made by HABC with the agreement of the affected participant, based on the skills, education, job training and receipt of other benefits of the family member and based on the available job opportunities within the community.

20.14 CHANGE IN FAMILY COMPOSITION

If the head of the FSS family leaves the family during the term of the contract, and the remaining family members want to continue participation in the FSS program, a remaining FSS family member, 18 years or older, shall have the right to take over the CoP. A new FSS Head of Family form will be signed. The contract will be revised to reflect the new head of the FSS family, who will be the family member eligible to receive the escrow.

If any family member with an ITSP leaves the assisted family during the term of the FSS contract, HABC will delete the ITSP for that family member.

HABC will determine whether new or revised ITSPs need to be established for the family to continue its participation in the FSS program.

If the initially designated head of the FSS family or any other family member with an ITSP did not meet the obligations under the contract, HABC may terminate the FSS contract.

20.15 PROVISION OF SERVICES

Families that participate in the FSS program will be assigned an FSS coordinator who will provide coaching services to help each participating family to:

- Understand the benefits of participating in the FSS program and how the program can help the family achieve its goals.

- Identify achievable, but challenging interim and final goals for participation in the FSS program, break down the goals into achievable steps and accompany the family through the process.

- Identify existing family strengths and skills.

- Understand the needs that the family has for services and supports that may help the family make progress toward their goals.

- Access services available in the community through referral to appropriate service providers.

- Overcome obstacles in the way of achieving a family's goals.

Drawing on partners on the PCC and relationships with other service providers, the coaches will provide referrals, as needed, to help FSS participants access appropriate services to help them achieve their goals. These resources include, but are not limited to, the following:

- Assessment;

- Childcare, including infant care/toddler care/preschool care and after school care;

- Education;

- Skills training;

- Job search assistance;

- Micro and small business development;

- Homeownership preparation;

- Transportation;

- Health/mental health care

- Crisis services;

- Child/adult protective services;

- Household management;

- Individual Development Accounts;

- Legal services;

- Debt resolution and Credit repair.

- Financial empowerment;

HABC develops partnerships and/or relationships with critical service providers in order to facilitate access to services as needed. Examples of sources/partners that may provide services are: the Division of Rehabilitation Services, Chimes, Healthy Start, Baltimore Infants & Toddlers, Learning How Children Development Care, Midway Community Development Corporation,

Baltimore City Community College, Mayor's Office of Employment Development, People Accessing Continued Employment, Pathways and Training in Healthcare, Small Business Administration, Transformation Health, University of Baltimore – School of Social Work, Baltimore Crisis Response Unit, Department of Social Services, HABC Service Coordination, and other agencies.

HABC is responsible to ensure that the services provided to the family are adequate. If a social service agency fails to deliver the supportive services identified in the ITSP or a supportive service is not available, HABC will make a good faith effort to obtain the services from another agency. If HABC is unable to obtain the services, they will decide whether another available service would achieve the same purpose. If the unavailable services are not key to the family's ability to achieve self-sufficiency, HABC will revise the ITSP to delete the services and modify the contract accordingly. If the services are integral, HABC will declare the contract null and void.

20.16 ESCROW ACCOUNTS

FSS participants are eligible to build savings from the FSS escrow account. The family's annual income, earned income, and family rent are inserted into the CoP at execution. These become the baseline figures for future escrow calculations. Escrow credits are based on increases in earned income. HABC will establish an FSS Escrow Account with subsidiary ledgers to track FSS Escrow Account balances applicable to each participating family. Other escrow account features include:

- Increases in income other than earned income do not contribute to the escrow credit.
- If additional family members are approved by HABC, their earned income is counted when computing the escrow regardless of whether they have an individual training and services plan.
- No credits will be made to the family's FSS escrow account after the FSS family has completed the CoP or when the contract is terminated or otherwise nullified.
- If during the period of the CoP, the earned income stops and the rent is reduced, the escrow will stop.

Earned Income is income from wages, tips, salaries, other employee compensation, military pay that is normally included in the annual income definition and any earnings from self-employment. Earned income does not include pensions, annuity payments, transfer payments, cash or in-kind benefits, or funds deposited in or accrued interest on the escrow account established by HABC or the Initial Housing Authority on behalf of a participating family.

20.17 FSS INCENTIVES

MTW Policy

HABC will also offer FSS participants the opportunity to earn incentive payments to encourage attainment of established goals. HABC has established the interim incentives outlined below:

- $500 for obtaining an educational or vocational certification (maximum of $1,000).
- $50 for opening a bank account with an accredited financial institution, within the first year of program participation.
- $50 for completing the budgeting series *Your Money, Your Goals,* within the first year of program participation.
- $100 for completing interim contract goals, other than education/vocation (maximum of $200)

20.18 FSS ESCROW CREDIT

FSS families are eligible for escrow account credits when the family's income increases due to increases in earned income that result in an increase in tenant rent. During each regular or interim reexamination for an enrolled family, income will be examined to determine if the family will receive escrow credit.

Unless required by policy, FSS families are not required to report increases in income between regular reexaminations; however, if an FSS family chooses to report an increase in income for escrow credit, HABC will process the interim increase and the family rent will be recalculated.

HABC will provide the opportunity for escrow credit to all FSS families regardless of their income level; however, families with adjusted annual income that exceeds 80% of AMI are not entitled to receive escrow credit.

All earned income that had been disregarded due to a self-sufficiency program would be INCLUDED when the baseline is set; however, this will have no impact on the participant's rent. This provision is used to set the baseline income.

MTW Policy

HABC will establish an escrow model in which the monthly escrow amount is determined by the family's annual earned income, rather than the change in their Total Tenant Payment (TTP). FSS families will receive escrow according to income tiers; the family must earn at least $14,500 in order to begin escrowing savings. Escrow increases in $25 increments starting at $50.

If the family's earned income decreases below $14,500 during their participation, they will no longer receive escrow. However, if the family's earned income later increases and meets or exceeds $14,500, they will again receive escrow.

All new FSS participants and existing FSS participants who are not accruing escrow when the tiered escrow program is implemented, will be required to use the income tier escrow model. Existing FSS participants who are accruing escrow when the tiered escrow program is implemented, will be able to select the existing escrow model or the tiered escrow model at their next regular or interim reexamination.

HABC may make modifications to factors in the revised escrow model such as earned income bands and escrow amount in future fiscal years in order to meet FSS program objectives and economic and budget conditions.

20.18.1 Timing of the Escrow Credit Calculations

- When the family is selected for the FSS program and executes a CoP, HABC will enter the baseline income data into the contract.
- There will not be an escrow calculation until the family has a qualifying increase in earned income after the date of the contract.
    - If at enrollment, an FSS family does not have an open certification, HABC will use the last completed certification to inform the baseline income and rent.
- Thereafter, whenever HABC conducts a regular or interim reexamination during the contract, HABC will also calculate the monthly escrow credit.
- HABC will follow the ACOP to determine whether an interim reexamination should be conducted, and whether or not escrow will be recalculated.
- If the family has one or more interim reexaminations during the year, the monthly escrow amount may change during the year. Otherwise, the monthly escrow credit will be the same for the entire period between regular reexaminations.

20.18.2 Crediting the Escrow Account

- HABC will deposit all escrowed credits into a single, interest-bearing depository account.
- The IRS does not count the funds or interest on the funds in the escrow account as income for purposes of income taxes, either before or when the family actually receives the escrow. No 1099 should be prepared or sent.
- The total of the combined FSS account funds for families will be supported in HABC's accounting records by a subsidiary ledger. This ledger will show the balance applicable to each FSS family.
- HABC should credit the account monthly, since interim adjustments may change the amount of the credit.
- If HABC finds that a family did not report income they were required to report, HABC will not credit the family's escrow account retroactively with any portion of the unreported income.
- In addition, if the family committed program fraud, it is grounds for termination from the public housing program, as well as the FSS program.

- When a family moves, an income certification is completed in conjunction with the move effective date. However, when a move has a mid-month effective date, the escrow credit will not be adjusted to reflect the move certification until the first of the month following the move effective date.

20.18.3 INVESTING THE FSS ESCROW ACCOUNT

HABC will deposit the FSS escrow account funds of all families in an FSS program into a single interest-bearing depository account. The investment income for funds in the FSS account will be prorated and credited to each family's FSS account. The credit will be based on the balance in each family's FSS account at the end of the investment income credit period.

20.18.4 Reporting on the FSS Escrow Account

- HABC will make a report each year to each FSS family on the status of the family's FSS account.
- HABC may opt to provide the report at the reexamination date, the end of the calendar year, or any other time selected by HABC.
- At a minimum, the report must include:
    - The balance at the beginning of the reporting period;
    - The amount of the family's rent payment that was credited to the FSS account during the reporting period;
    - Any deductions made from the account for amounts due HABC before interest is distributed;
    - The amount of interest earned on the account during the year (interest will be reported annually); and,
    - The total in the account at the end of the reporting period.

20.18.5 Interim Disbursements

Families may request an interim disbursement from the family's escrow account during the contract period , in order to pay for specific goods or services to help the family make progress toward achieving the goals in its ITSP. Requests may be made through the term of the CoP and must be made in writing and submitted to the FSS Service Coordinator.

HABC may, at its sole discretion, disburse a portion of the funds from the family's escrow account during the contract period if the head of the FSS family:

- Is employed at the time of the disbursement request (part-time or full-time);
- Is in good standing with HABC;

- Has been enrolled in the FSS program for at least one year; and,
- Has completed half of their goals.

Interim disbursements cannot exceed 50% of the account's balance. HABC will make a determination of whether the family qualifies for the requested interim disbursement on a case-by-case basis. HABC will first explore options for services and in-kind donations from partners, before approving a request for an interim disbursement.

Examples of expenses which may justify an interim escrow disbursement include, but are not limited to the following. The family is required to provide documentation of the expense(s):

- Purchasing a vehicle;
- Closing costs, down payment, taxes and fees towards homeownership;
- Payments for post-secondary education;
- Credit repair;
- Small business start-up costs.

20.18.6 Disbursing the FSS Escrow Account

The amount in an FSS account, in excess of any amount owed to HABC by the FSS family, is paid to the head of the FSS family:

- When the CoP has been completed (even if the contract term has not expired); or
- When, at contract completion, the head of the FSS family certifies that, to the best of his/her knowledge and belief, no family member receives federal or state welfare assistance. An intergenerational family whose head becomes independent of welfare assistance but whose adult child with a child continues to receive TANF is not eligible for the escrow because ALL family members must be free of federal and state welfare assistance at graduation.

Even if the family is welfare-free at contract expiration date, if the family has not met its other FSS obligations, including the requirement that the head of the FSS family seek and maintain suitable employment, the family is not eligible for the escrow.

The balance in the family's FSS account shall be reduced at final disbursement if the family has not paid the family contribution towards rent or other amounts. Such reduction in the FSS account will be equal to the amount due. If the amount owed by the family is greater than the escrow amount, all escrow will go to pay the amounts owed.

If the FSS family has been found to have under-reported income, the amount credited to the FSS escrow account will be based on the income amounts originally reported by the FSS family.

If the head of the FSS family ceases to reside with other family members in the Public Housing

unit, the remaining family of the FSS family, after consultation with HABC, shall have the right to designate another family member to receive the funds.

20.18.7 Use of FSS Escrow Funds

The family may use the final disbursement of escrow account funds without restriction.

An FSS family may use its FSS escrow account funds for the purchase of a home, including a home:

- Under one of HUD's homeownership programs; or
- Under other federal, State, or local homeownership programs.

If a family receives an interim disbursement from their escrow account prior to completing the contract, the interim disbursement does not have to be repaid to HABC if they withdraw from the FSS program, unless the payment was based on fraud or misinformation by the family.

20.18.8 Forfeiting the Account

Amounts in the FSS account will be forfeited if:

- The CoP is terminated;
- The CoP is completed but the family is receiving welfare assistance when the contract expires, including extensions; or,
- The CoP is completed; however, the head of the FSS family has not sought and maintained suitable employment.

If the head of the family dies and the remaining members of the family choose not to continue participating in the program and the contract obligations have not been met, the escrow funds would be forfeited.

If families do not pay their rent, the funds may be forfeited because:

- Compliance with the lease is a family obligation under the contract; and
- Non-payment of rent is grounds for terminating a family's FSS participation and forfeiture of the escrow.

FSS escrow account funds forfeited by the FSS family will be used by HABC for the benefit of the FSS participants in good standing. Any such use of forfeited funds is based upon availability of forfeited funds.

At HABC's discretion, forfeited escrow funds may be considered in lieu of an interim disbursement. Additionally, forfeited escrow funds may be deployed within one year of a household's CoP. Use of forfeited escrow funds may be requested by HABC or the head of the

FSS family.

Eligible uses of forfeited escrow funds, include but are not limited to the following. HABC's FSS Action Plan includes guidelines and limitations on the eligible uses:

- Purchasing an vehicle;
- Child care;
- Training for participants;
- Employment or educational costs, including employment training, employment preparation, and education costs;
- Training for FSS program staff.

20.19 FSS COORDINATION WITH GROW PROGRAM

Upon implementation of the GROW program, non-exempt public housing residents who are not working or enrolled in an education/job training program and who are under an FSS Contract of Participation, will have their FSS CoP timeline updated on employment/job training/education to reflect the GROW program requirements. Additionally, non-exempt public housing residents who are not working or enrolled in an education/job training program may join FSS as part of their GROW program EDP; however, their FSS CoP timeline for employment/education/job training will reflect the GROW program requirements.

20.20 FAIR HOUSING

HABC will administer its FSS Program in accordance with all applicable Fair Housing and Equal Opportunity laws, HUD's NOFA requirements, HUD's Limited English Proficiency (LEP) guidelines, and in such a manner as to affirmatively further fair housing.

A person with disabilities may request reasonable accommodations to facilitate participation in the FSS program. Requests will be considered on a case-by-case basis. A person with disabilities may request the use of effective communication strategies in order to facilitate participation in the FSS program. HABC will comply with HUD requirement to conduct oral and written communication related to the FSS program in languages that are understandable to people with Limited English Proficiency.

20.21 FSS REPORTING REQUIREMENTS

HABC shall submit to HUD, as part of its MTW Annual Plan and MTW Annual Report a report regarding the MTW FSS program. The report will be in the format as prescribed by HUD including baseline, benchmarks and outcomes.

CHAPTER 21: GET READY FOR OPPORTUNITIES TO WORK - MTW POLICY

21.1 INTRODUCTION

HABC is committed to expanding access to employment, training, and educational opportunities for HABC residents. Through HABC's Office of Resident Services (ORS) and programs offered through HABC partners, residents have access to a broad array of services designed to increase self-sufficiency. Programs and services currently available include job skills training courses, job readiness and placement support, financial training, support for barrier removal and many others.

The Get Ready for Opportunities to Work (GROW) program is a new program designed to build on and enhance HABC's self-sufficiency initiatives. As a condition of continued occupancy, unemployed, work-able Public Housing residents must agree to participate in the GROW program with the ultimate goal of sustained employment. To help ensure residents' success, HABC will provide GROW participants with career counseling, service navigation and access to HABC and partner programs.

This document provides an overview of the program and related policies. The GROW program was approved by HUD in HABC's 2024 MTW Plan. Implementation of the GROW program is anticipated in the first quarter of 2025. Residents will receive written information on GROW at least 60 days prior to implementation.

21.2 GROW ADMISSIONS POLICY

As part of screening process, each family is required to attend Tenant Responsibility Training at which time HABC will review general GROW program policies. Families will be informed of the requirement to sign a GROW program lease rider and that failure to participate in and adhere to the GROW program requirements will constitute a violation of the lease and may result in lease termination.

Additionally, during leasing, HABC will identify the current work-able, unemployed adult family members who would be required to participate in and adhere to GROW program requirements, including attending a GROW program orientation, entering into a GROW program contract and developing a GROW program Employment Development Plan (EDP).

Within thirty days of move-in, non-exempt family members, who do not meet the GROW program requirements, will be scheduled to attend a required orientation with HABC's ORS. ORS will meet with the family member to review needs and challenges, to develop an EDP and, execute a GROW program contact. Non-exempt family members who do not meet the GROW requirement at lease-up will be required to come into compliance within 180 days from the effective date of the GROW contract.

21.3 GROW CONTINUED OCCUPANCY POLICY

Once the GROW program Lease Rider is executed, existing public housing families are required to adhere to the GROW program Continued Occupancy Policy. Throughout the term of the lease,

all family members aged 18-54 who are not exempt from the GROW program requirement must be:

- Working 20 hours or more per week for at least 9 months per year; or,
- Enrolled in a HABC-approved job training; or,
- Enrolled in a HABC-approved education program.

Existing families, at their next reexamination after GROW program implementation, will be required to execute a GROW program lease rider and be screened to identify any non-exempt family member who is not in compliance with GROW program requirements. Within thirty days of the reexamination interview, non-exempt, non-compliant family members will be scheduled to attend a required orientation on the GROW program which will be provided by ORS. Failure to attend a scheduled GROW orientation session, after given two opportunities to attend, is a violation of the lease and will result in removal from the household and for single person households, lease termination.

Subsequent to the orientation session, ORS will meet with family member to review needs and challenges, to develop an EDP and execute a GROW program contact. Non-exempt family members who do not meet GROW program requirements will be required to work with the ORS department and come into compliance within 180 days from the effective date of the GROW contract.

21.4 EXEMPTIONS FROM THE GROW CONTINUED OCCUPANCY POLICY

The GROW program Continued Occupancy Policy *does not apply* to some family members. Family members who fall into one or more of the following categories are exempt from the GROW Continued Occupancy Policy:

- Persons with disabilities, as defined by 24 CFR Parts 8.3 and 100.201
- Persons aged 55 and over
- Children under age 18
- A parent/legal guardian of at least one child under the age of 4 in the household. Once the child reaches age 4, the parent/legal guardian is no longer exempt.
- A family member, who is the sole caregiver for an elderly/disabled family member in the household. A sole caregiver is a family member who is essential to the care and well-being of an elderly or disabled family member as verified by a knowledgeable medical provider. When the disabled or elderly household member no longer resides in the unit, the caregiving adult household member is no longer exempt.
- Non-Public Housing Over-Income families

21.5 VERIFICATION OF CONTINUED OCCUPANCY GROW POLICY COMPLIANCE

HABC Housing Operations staff will verify employment and/or other approved activities to confirm continued compliance with the GROW Continued Occupancy Policy at each family's regular reexamination. HABC will follow established procedures to verify employment and participation in other approved activities, where applicable. HABC may obtain verification of enrollment in job training or education programs directly from ORS or request that the family provide third-party verification.

HABC Housing Operations staff will refer family members, who are not in compliance with the GROW program requirements, to the ORS. Any non-exempt family member who does not meet the GROW requirement at reexamination, will be given 180 days from the GROW contract effective date to comply. See also policies on Compliance.

All non-exempt family members are required to comply with the policy. Non-compliance by any non-exempt family member shall be considered a violation of lease and program requirements.

21.6 INTERIM CHANGES

When a family member reports a change in circumstances, i.e. leaves or loses a job or leaves an education/training program, which impacts GROW program requirements, HABC will review the change and inform the family member and head of household of instances where they are not in compliance with GROW program requirements. Where the interim change provides that a non-exempt family member no longer complies with the requirement, HABC Housing Operations staff will refer applicable family members to ORS. The non-compliant family member will be given 90 days from the GROW contract effective date to comply. Exceptions related to compliance time frames will be made on a case-by-case basis by ORS staff.

21.7 APPROVED EDUCATION AND JOB TRAINING PROGRAMS

Approved education and job training includes:

- Full or part-time enrollment at an accredited college, university, or institution of higher learning
- Education or job training programs to which the resident was referred by HABC's ORS
- Job training programs including:
    - Trade, apprentice, or vocational training program
    - Job readiness and skills development training
- Education programs including:
    - GED or diploma program
    - Secondary education program

- Adult Basic Education (ABE) program
- English as a second language or English proficiency classes

HABC may approve additional job training and education programs above on a case-by-case basis. HABC will consider the program's objective, length, and the number of hours required for participation.

A family member who is not currently enrolled, but who has been accepted into an education or job training program, must provide proof that the program will begin within 60 days in order to meet the GROW requirement. If a family member reports an education or job training program not currently administered or approved by HABC, ORS staff will review the program curriculum and make a determination as to whether it will be approved as a vehicle to meet the GROW requirement.

Upon completion of an education or job training program, the family member will be given 120 days to secure employment.

21.8 HARDSHIP

A family may request a temporary hardship exemption from the GROW Continued Occupancy Policy for one or more family members if they:

- Have a short term-medical issue or disability
- Are a victim of domestic violence
- Have emergency public safety concerns
- Have a childcare related issue
- Have a transportation related issue

To qualify for the hardship exemption, a family must submit the request for hardship exemption in writing. Approval is subject to applicable verification requirements. If approved, the period for the temporary hardship exemption will be not exceed 90 days. A family can request an extension to the 90-day period if the hardship condition continues and can be verified. HABC will make determinations on extensions to temporary hardship on a case-by-case basis with approval required by the Workforce Development Program Administrator or his/her designee.

Information that is obtained regarding medical, disability or public safety hardships will be used or disclosed only for purposes relating directly to the hardship request. All information considered "private data on individuals" will be handled in compliance HABC's policies on Privacy.

21.9 COMPLIANCE

HABC will verify employment, education and/or job training status for all non-exempt family members at admission and at each regular reexamination. HABC will verify this information in

accordance with the requirements and methods outlined in HABC's policies and procedures on verification.

HABC's objective is to help families succeed in meeting Grow program requirements, and HABC will exercise flexibility in implementing the requirement. If a non-exempt family member is not in compliance with GROW program requirements, HABC will refer the family member to the ORS, who will conduct an assessment and prepare for execution, a GROW contract and an EDP for the family member. Family members under a GROW contract will be required to provide documentation that they are engaged in an eligible work requirement activity.

If the family does not comply by the end of the contract period, HABC may proceed with lease enforcement including removal of the non-compliant family member from the household or lease termination for single person households. However, HABC may extend the contract period and defer lease enforcement if the family member is actively working with the ORS to remove barriers to compliance. In such cases, Housing Operations staff will obtain verification directly from the ORS that the family member is engaged in barrier removal activity.

21.10 PARTNERS

To ensure the success of the GROW program, HABC has established agreements with partner agencies to provide services to GROW program participants to assist them with the following:

- Employment search & career counseling
- Education guidance and planning
- GED services
- Career assessment
- Workforce development
- Assistance with applications for education financial aid
- Assistance with career programs, continuing studies, vocational/technical schools and apprenticeships
- Financial management

21.11 GROW COORDINATION WITH COMMUNITY SERVICE

HABC will coordinate the GROW program requirements with the CSSR requirements. See CSSR COORDINATION WITH GROW PROGRAM.

CHAPTER 22: RECORD KEEPING

22.1 INTRODUCTION

The policies that are discussed in the sections of this chapter below are:

- Record Keeping
- Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level

22.2 RECORD KEEPING

HABC will maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, HABC and the privately owned/managed sites will ensure that all applicant and resident files are maintained in a way that protects the residents' privacy rights.

22.2.1 Record Retention

HABC and the privately owned/managed sites will keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least seven years from the end of participation (EOP) date.

During the term of each public housing tenancy, and for at least seven years thereafter, HABC will keep all documents related to a family's eligibility, tenancy, and termination. In addition, HABC will keep the following records for at least seven years:

- The application files of the families who have been determined to be ineligible or who have been withdrawn (the 7 years will be calculated based on the date of the ineligibility determination or withdrawal);
- Lead-based paint records.
- Documentation supporting the establishment of flat rents and the public housing maximum rent for mixed families.
- Documentation supporting the establishment of utility allowances and excess consumption charges.
- Accounts and other records supporting HABC budget and financial statements for the program.

- Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, or the equal access final rule; and

- Other records as determined by HABC or as required by HUD.

Except for lead-based paint records, which must be retained for seven years, privately owned/managed sites may establish their own record keeping policy consistent with HUD regulations and guidance.

22.2.2 Record Retention – Citizenship Status

HABC and the privately owned/managed sites will retain for a minimum of five years the following documents that may have been submitted to HABC or the privately owned/managed site by the family, or provided to HABC or the privately owned/managed site as part of the USCIS appeal or HABC's informal hearing process:

- The application for assistance

- The form completed by the family for income reexamination

- Photocopies of any original documents, including original USCIS documents

- The signed verification consent form

- The USCIS verification results

- The request for a USCIS appeal

- The final USCIS determination

- The request for an informal hearing

- The final informal hearing decision

22.2.3 Records Management

HABC and the privately owned/managed sites will maintain applicant and resident files and information in accordance with HUD's regulations and guidance.

All applicant and participant information will be kept in a secure location and access will be limited to authorized HABC and, as applicable, privately owned/managed site staff.

HABC and the privately owned/managed site staff will not discuss personal family information 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.

22.2.4 Upfront Income Verification (UIV) Records

HABC and the privately owned/managed sites access UIV data through HUD's Enterprise Income Verification (EIV) system and have adopted and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g., electronic, paper).

22.2.5 Criminal Records

HABC and the privately owned/managed sites may only disclose the criminal conviction records which HABC or the privately owned/managed sites receive from a law enforcement agency to officers or employees of HABC and the privately owned/managed sites, or to authorized representatives of HABC or the privately owned/managed sites who have a job-related need to have access to the information.

Any criminal record received by HABC or a privately owned/managed site from a law enforcement agency will be maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to an action by HABC or the privately owned/managed site without institution of a challenge or final disposition of any such litigation.

Any sex offender registration information received by HABC or a privately owned/managed site from a state or local agency will be maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to an action by HABC or the privately owned/managed site without institution of a challenge or final disposition of any such litigation.

A record of criminal background and sex offender registration requirement screening, including the type of screening and the date performed, shall be retained.

22.2.6 Medical/Disability Records

HABC and the privately owned/managed sites will not inquire about the nature or extent of a person's disability. HABC and the privately owned/managed sites will not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If HABC or a privately owned/managed site receives a verification document that provides such information, HABC or the privately owned/managed site will not place this information in the resident file. HABC or the privately owned/managed sites will destroy the document or redact the confidential medical information.

22.2.7 Domestic Violence, Dating Violence, Sexual Assault, or Stalking Records

For requirements and HABC policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see VAWA policies contained in this ACOP.

22.3 REPORTING REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

HABC and the privately owned/managed sites shall report the name and address of a child living in federally assisted housing, who is identified as having an elevated blood lead level to the public health department after being so notified by any other medical health care professional. HABC and the privately owned/managed sites will also report each known case of a child with an elevated blood lead level to the HUD field office.

CHAPTER 23: PROGRAM INTEGRITY

23.1 INTRODUCTION

This chapter outlines HABC's policies for the prevention, detection and investigation of program abuse and resident fraud, which the privately owned/managed sites are required to follow. Additionally, this chapter describes HABC's policies for the recovery of monies that have been underpaid by families as well as remedies for errors or program abuse caused by HABC or the privately owned/managed sites.

23.2 DETECTING ERRORS AND PROGRAM ABUSE

HABC and the privately owned/managed sites may use a variety of activities to detect errors and program abuse including but not limited to:

- **Quality Control and Analysis of Data:** HABC and the privately owned/managed sites may employ a variety of methods including the use of EIV and other non-HUD sources of up-front income verification and file reviews.

- **Independent Audits and HUD Monitoring:** HABC and the privately owned/managed sites will use the results reported in any independent audits or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the error detection and abuse prevention efforts employed by HABC and the privately owned/managed sites.

- **Individual Reporting of Possible Errors and Program Abuse:** HABC and the privately owned/managed sites will encourage staff, residents, and the public to report possible program abuse.

- **Public Records**: Public records may be reviewed.

- **State Wage Data Record Keepers**: Pursuant to federal and state laws, inquiries may be made annually to detect unreported wages or unemployment compensation benefits.

- **Credit Bureau Inquiries**: Credit bureau inquiries are made routinely to verify applicant information as part of the applicant screening process.

23.3 INVESTIGATING ERRORS AND PROGRAM ABUSE

HABC and the privately owned/managed sites will review referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. HABC and the privately owned/managed sites may investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

23.3.1 Consent to Release of Information

HABC and the privately owned/managed sites may investigate possible instances of error or abuse

pertaining to their applicants and residents. HABC and the privately owned/managed sites will use available records in conducting their investigations. If necessary, HABC and the privately owned/managed sites will require families to sign consent forms for the release of additional information.

23.3.2 Analysis and Findings

HABC and the privately owned/managed sites will base their evaluations on a preponderance of the evidence (see glossary) collected during their investigations.

For each investigation HABC or the privately owned/managed site will determine:

- Whether an error or program abuse has occurred.
- Whether any amount of money is owed to HABC or the privately owned/managed site;
- What corrective measures or penalties will be assessed, if any; and
- Whether the matter should be referred to HABC's Internal Audits and Investigation Unit.

23.4 DOCUMENTS, EVIDENCE AND STATEMENTS

Documents and other evidence obtained by HABC and the privately owned/managed sites during an investigation will be considered confidential and will either be kept in the resident file, or in a separate work file. Cases under review will not be discussed among staff unless they are involved in the investigation or have information which may assist in the investigation.

23.5 CONSIDERATIONS FOR IMPOSING PENALTIES FOR FAMILY CAUSED VIOLATIONS

Whether HABC or the privately owned/managed site will enforce other corrective actions and penalties identified in this chapter depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, HABC will take into consideration:

- The seriousness of the offense and the extent of participation or culpability of individual family members.
- Any special circumstances surrounding the case.
- Any mitigating circumstances related to the disability of a family member; and
- The effects of a particular remedy on family members who were not involved in the offense.

23.6 NOTICE AND APPEALS

HABC and the privately owned/managed sites will inform the relevant party in writing of its

findings and remedies after the conclusion of the investigation.

The notice will include:

- A description of the error or program abuse.
- The basis on which HABC or the privately owned/managed site determined the error or program abuses.
- The remedies to be employed; and
- The family's right to appeal the results through an informal hearing or grievance hearing, if applicable.

23.7 DISPOSITIONS OF CASES INVOLVING MISREPRESENTATIONS

In all cases of misrepresentations involving efforts to recover monies owed, HABC or the privately owned/managed site may pursue one or more of the following actions:

Criminal Prosecution

When HABC or the privately owned/managed site determines that program abuse by a family has occurred and the amount of the violation meets or exceeds the threshold for prosecution under local or state law, HABC or the privately owned/managed site will refer the matter to the appropriate entity for prosecution. When the amount of the violation meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Administrative Remedies

HABC or the privately owned/managed site may:

- Terminate tenancy and demand payment of restitution in full.
- Terminate tenancy and execute an administrative payment agreement.
- Terminate tenancy and pursue restitution through civil litigation.
- Continue assistance at the correct rent upon payment of restitution in full.
- Permit continued occupancy at the correct rent and execute an administrative payment agreement.

23.8 FAMILY DEBT

HABC or the privately owned/managed site will have appropriate documentation supporting that a debt is owed by the family. The written documentation will include the method of calculation, in a clear format, for review by the family.

When families owe money to HABC or to a privately owned/managed site, HABC or the privately owned/managed site will make reasonable efforts to collect it. HABC or the privately owned/managed site will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Payment agreements
- Collection agencies
- Credit bureaus

23.9 PAYMENT AGREEMENT FOR FAMILIES

A "**Payment Agreement,**" as used in this ACOP, is a document entered into between HABC or a privately owned/managed site and the head of household, spouse/co-head, if any, who owes a debt to HABC or the privately owned/managed site in connection with the tenancy. 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 or the privately owned/managed site upon default of the agreement. Any payment agreement between HABC or a privately owned/managed site and a family must be signed and dated by HABC or the privately owned/managed site and by the head of household and spouse/co-head (if applicable).

The maximum amount for which HABC and the privately owned/managed sites will enter into a payment agreement with a family is $2,500.00, except as provided below.

The maximum length of time HABC and the privately owned/managed sites will enter into a payment agreement with a family is 24 months. All payments are due by the close of business on the 1st day of the month. If the 1st does not fall on a business day, the due date is the close of business on the first business day after the 1st.

23.9.1 Guidelines for Payment Agreements

Payment agreements will be executed between HABC or the privately owned/managed site and the head of household and co-head/spouse, if any. The monthly payment agreement amount and the monthly rent amount together may not exceed 40% of the family's monthly adjusted income.

If a family underreported or failed to report income and a payment agreement is executed, the following provisions will be included:

- A reference to the items in the public housing lease that state the family's obligation to provide true and complete information at every reexamination and the grounds on which HABC or the privately owned/managed site may terminate assistance because of a family's action or failure to act.

- A statement clarifying that each month the family not only must pay to HABC or the privately owned/managed site the monthly payment amount specified in the agreement but must also pay to HABC or the privately owned/managed site the monthly tenant rent.

- A statement that the terms of the payment agreement may be renegotiated if the family's income decreases or increases; and

- A statement that late or missed payments constitute default of the payment agreement and may result in termination of tenancy.

Monthly payments may be decreased in cases of financial hardship. Families must make a written request for a hardship consideration, which must include supporting documentation of the financial hardship. HABC or the privately owned/managed site will verify the financial hardship and provide a written response on the decision regarding the hardship request.

Payment agreements will follow the schedule below; however, HABC reserves the right to modify the maximum term on a case-by-case basis.

Initial Payment Due: (% of Total) Amount)	Amount Owed	Maximum Term
25%	0 - $500	6 months
25%	$501- $1,000	10 months
50%	$1,001 - $2,500	24 months

23.9.2 Late Payments

A payment will be in arrears if the payment has not been received by the close of the business day on which the payment was due, and prior approval for the missed payment has not been given by HABC or the privately owned/managed site. If the due date is on a weekend or a holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, HABC or the privately owned/managed site will send the family a delinquency notice giving the family 10 working days to make the late payment. If the payment is not received by the due date set forth in the delinquency notice, it will be considered a breach of the agreement and HABC or the privately owned/managed site may terminate tenancy in accordance with the termination policies. HABC or the privately owned/managed site may also require the family to pay the balance in full and/or pursue civil collection of the balance due, in addition to termination of tenancy.

23.9.3 No Offer of Payment Agreement

The circumstances in which HABC or the privately owned/managed site will not enter into a payment agreement are, as follows:

- If the family already has a payment agreement in place; or

- If HABC or the privately owned/managed site determines that the debt is so large that it would take more than 24 months to repay.

23.9.4 Additional Monies Owed

If the family has a payment agreement in place and incurs an additional debt to HABC or the privately owned/managed site, the payment agreement may be amended so that the additional amounts owed by the family will be added to the existing payment agreement if the payments can be completed within 24 months of the date of the original agreement and do not exceed 40% of the family's adjusted monthly income.

23.9.5 Transfers and Payment Agreements

If the family requests a transfer to another unit and has a payment agreement in place and the payment agreement is not in arrears, the family will be permitted to move. Exceptions for families who are in arrears will be considered on a case-by-case basis and make take into account situations including but not limited to emergencies, reasonable accommodations and occupancy standards.

23.10 ERRORS OR PROGRAM ABUSE CAUSED BY HABC OR PRIVATELY OWNED/MANAGED SITE STAFF

This section specifically addresses actions of an HABC staff member or a privately owned/managed site staff member that are considered errors or program abuse related to a federal housing program. Additional standards of conduct may be provided in the HABC personnel policy or in the personnel policies of the privately owned/managed site.

23.10.1 HABC or Privately Owned/Managed Staff Caused Errors

HABC or privately owned/managed staff-caused incorrect rental determinations include failing to correctly apply federal housing rules regarding family composition, income, assets, and expenses, errors in calculation.

23.10.2 Program Abuse by Staff

Any of the following will be considered evidence of program abuse by HABC or privately owned/managed site staff:

- Failing to comply with federal housing program requirements for personal gain.

- Failing to comply with federal housing program requirements as a result of a conflict-of-interest relationship with any applicant or resident.

- Seeking or accepting anything of material value from applicants, residents, vendors, contractors, or other persons who provide services or materials to HABC or the privately owned managed site.

- Disclosing confidential or proprietary information to outside parties.

- Gaining profit because of insider knowledge of activities, policies, or practices of HABC or the privately owned/managed site.

- Misappropriating or misusing federal housing funds.

- Destroying, concealing, removing, or inappropriately using any records related to the federal housing program; or

- Committing any other corrupt or criminal act in connection with any federal housing program.

23.10.3 Payment to HABC or the Privately Owned/Managed Sites

The family is not required to pay an underpayment of rent if the error or program abuse is caused by HABC staff or staff of a privately owned/managed site.

23.10.4 Family Overpayment

HABC or the privately owned/managed site will credit a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error or staff program abuse. If the family is no longer a resident of HABC or privately owned/managed housing, HABC or the privately owned/managed site will reimburse the family.

23.11 De Minimis Errors

HABC will not be considered out of compliance solely due to de minimis errors in calculating family income.

De minimis errors occur when HABC's determination of a family's income deviates from the correct income determination by no more than $30 per month in monthly adjusted income (or $360 in annual adjusted income). HABC will not be issued a finding by HUD for de minimis errors in income calculation.

As HABC becomes aware of the existence of an income calculation error, HABC will correct the error(s) retroactive to the effective date of the action the error was made regardless of the dollar amount associated with the error. HABC will take corrective action to credit or repay a family if the family was overcharged tenant rent, including when HABC makes de minimis errors in the income determination.

Families will not be required to repay HABC in instances where HABC miscalculated income resulting in a family being undercharged for rent.

CHAPTER 24: RENTAL ASSISTANCE DEMONSTRATION (RAD) POLICY

24.1 INTRODUCTION

HABC is converting certain public housing developments under RAD (RAD Sites), which after conversion will be assisted by project based rental assistance subsidies. This chapter sets forth the policies applicable to these RAD Sites.

The owners and managers of the RAD Sites will operate them in accordance with RAD requirements and the agreements that establish criteria for tenant selection and continued occupancy at the sites, which are the Long Term Affordable (LTA) Criteria, attached as an Appendix on **LONG TERM AFFORDABLE CRITERIA.**

24.2 RELOCATION PLANNING

Should residents require relocation because of acquisition, demolition, or rehabilitation for a project converting under RAD, HABC requires the owners of the RAD Sites to undertake a planning process in conformance with the Uniform Relocation Act (URA) in order to minimize the adverse impact of relocation.

24.3 SCREENING

Existing residents shall not be rescreened at conversion. However, the owners/managers of the RAD Sites may verify the existing residents' income and household composition to determine if they meet the Low-Income Housing Tax Credit requirements.

Current public housing residents or residents from other RAD Sites referred to the RAD Site who: (i) are in good standing, (ii) meet the income-eligibility requirements for the RAD Site, and (iii) are approved for a reasonable accommodation or immediate needs transfer to a RAD Site shall not be rescreened.

Applicants from the HABC public housing waiting list referred to a RAD Site may be screened by the RAD Sites in accordance with the LTA Criteria.

24.4 WAITING LIST

Owner and managers of RAD Sites are prohibited from establishing any site-based waiting list for the RAD Sites. Applicants for units in the RAD Sites shall be referred by HABC from HABC's public housing applicant and reasonable accommodation transfer waiting lists for leasing available units in the RAD Sites.

24.5 RENT

Rent will be determined by the RAD owners and managers in accordance with the LTA Criteria. The owners/managers of the RAD Sites will conduct initial income verifications, annual re-examinations of income and interim certifications, as well as income verifications upon turnover.

24.6 TRANSFERS

RAD owners and managers will process transfers in accordance with the LTA Criteria unless superseded by federal or state law.

24.7 PET POLICY

The RAD owners and managers shall follow the pet policy set forth in the LTA Criteria.

24.8 LEASE REQUIREMENTS

The RAD owners and managers shall follow the lease requirements set forth in the LTA Criteria.

24.9 REASONABLE ACCOMMODATION

The RAD owners and managers shall follow the reasonable accommodation policy set forth in the LTA Criteria.

24.10 AVAILABILITY OF DOCUMENTS

The RAD owners and managers shall follow the policy regarding the availability of documents set forth in the LTA Criteria.

24.11 RESIDENT PARTICIPATION

The RAD owners and managers shall follow the policy regarding resident participation set forth in the LTA Criteria.

24.12 RAD LONG TERM AFFORDABLE RESIDENT GRIEVANCE POLICY AND APPEALS PROCEDURE

The RAD owners and managers shall follow the grievance policy and appeals procedure set forth in the LTA Criteria.

24.13 COMPLIANCE WITH APPLICABLE LAWS

The policies governing the RAD Sites shall not violate state or federal law. If the LTA Criteria are deemed to be in violation of either state or federal law, or both, and in the event that a waiver of any such law cannot be obtained, they shall be amended to ensure that said violations are cured and that the LTA Criteria remain in compliance with applicable law.

CHAPTER 25: MTW SCATTERED SITE HOMEOWNERSHIP PLAN

25.1 INTRODUCTION AND SUMMARY

This section describes HABC's Scattered Site Homeownership Plan under the Moving to Work Demonstration Agreement (MTW).

The following outlines who will be eligible to purchase homes, which properties will be eligible, the structure of the purchase financing, and how HABC administers the program.

Eligible homebuyers must be participants of the Homebuyer Readiness Training Program. Referrals can only be determined by the Homeownership Program Assistant and approved by the Homeownership Vice President. fulfill their commitment as described in their Commitment Agreements and Action Plans.

25.2 ELIGIBLE PURCHASERS

25.2.1 Priority of Eligible Buyers

Eligible buyers are, in order of priority: (1) residents of scattered sites public housing units; (2) residents of public housing developments; and (3) Housing Choice Voucher Program (HCVP) (also known as Section 8) participants, and applicants on the public housing and/or HCV waiting lists.

HABC may establish a Scattered Site Homeownership waiting list if needed based on demand. Criteria for selection from the waiting list will be established and may be based on income, employment, credit, savings and homebuyer readiness.

25.2.2 Selection Criteria and Methodology

The following guidelines, procedures, and principles will be applied to the Program:

- The selection process will follow priority tiers set forth in Section on **Priority of Eligible Buyers.**
- The length of residency in public housing may be considered during the selection process.
- Families displaced from the family's residential housing unit by governmental action that occurs in Baltimore City may receive a higher priority for program participation than families not affected by such displacement.
- Families who are initially not considered eligible, will be referred to credit counseling, homeownership counseling, Family Self-Sufficiency programs, and other resources that may help the family become eligible over time.
- Eligible families must meet all the program requirements of the MTW Scattered Site Homeownership program.

25.2.3 Prohibition Against Resident Displacement

Residents of scattered site properties will not be displaced to create a homeownership opportunity for another family.

25.2.4 Principal Residence Requirement

Each eligible buyer must use the dwelling unit purchased as the principal residence of his or her family. This restriction will be included in mortgage loan documents, closing cost grant assistance agreements, the deed, and any other appropriate legal documents associated with the sale of the property. Furthermore, if a family discontinues use of the property as its principal residence and sells or rents the unit, recapture provisions of HABC's investment in the rehabilitation of the property, second mortgage assistance, appreciation, and/or settlement assistance will be triggered.

25.3 FINANCIAL CAPACITY REQUIREMENT

HABC's public housing homeownership program incorporates the following requirements and guidelines:

- **Income Eligibility** will be determined through a combined analysis of gross income, current debt, and obligations. All participant families must have an income level at or below 80% of the AMI established for the Baltimore Metropolitan Area. A family must meet a minimum income requirement such that they can qualify for a mortgage. The analysis of income and debt will determine how much of a mortgage the family can afford. Participating families will be expected to fully obtain first mortgage financing possible prior to determining the level of assistance they may receive from HABC in the form of a Special Homeownership Voucher. To be eligible for a soft second mortgage from HABC, a family must qualify for a mortgage in the amount of no less than 75% of the sales price.

- **Affordability** – During the initial screening process, HABC's Homeownership Coordinator will compute the family's income debt ratio based upon standards in traditional lending products. If the prospective homebuyer is unable to secure a loan for the full sale price, HABC's Homeownership Coordinator will determine which homeownership program would be best suited to the prospective homebuyer, i.e. SHV, or Soft Second Mortgage. A family must qualify for a mortgage of at least 75% of the appraised value to be eligible for HABC's soft second mortgage.

- **Down Payment Requirement –** Purchasers in the HABC's homeownership program will be required to make down-payment of $250. This amount may be adjusted to prevent creating financial hardship that would prevent purchase ability to pay for inspections, appraisal and other related expenses.

- **Minimum Cash Contribution** – Purchasers in HABC's homeownership program will be required to invest a minimum of one percent (1%) of the purchase price of their homes or $1,000, whichever is greater. The purchasing family must use its own resources other than grants, gifts, credit cards, loans, and contributions, or similar amounts to invest an amount of the down payment that is not less than one percent of the purchase price of the family's

home or $1000, whichever is greater. This investment must be documented and verified before settlement. The purchasing family's out of pocket paid expenses such as: earnest money deposit, down payment, home inspections, appraisal, etc., may be credit towards the family meeting the minimum cash contribution. One eligible source of funds for meeting this down payment requirement will be the funds contributed by the family into escrow accounts due to the family's participation in HABC's Family Self-Sufficiency Program.

HABC's Homeownership Office will inform families about available homeownership incentive programs in the city and state.

HABC will refund the earnest money deposit if the purchasing family is unable to obtain mortgage financing or decides they are no longer interested in purchasing the property.

25.4 TRAINING & COUNSELING REQUIREMENTS

HABC's public housing homeownership program incorporates the required training and education classes below as a condition for participation in the Homeownership program. HABC may add additional homeownership training/education/workshop requirements to ensure program success. Prior to housing search, offer submittal or executing a contract, training requirements must be met and verified with certificates. Training requirements must be no more than one year prior to property settlement.

- **Participation in a Homeownership Counseling Program**: Participants in HABC's homeownership program will be required to obtain a certification that they completed an HABC-approved homeownership counseling program prior to contract execution. A list of HABC-approved homeownership counseling agencies and the required counseling topics will be available to participants. Participants in HABC's homeownership program will also be required to participate in post-purchase counseling. HABC will provide a list of appropriate counseling agencies to participants.

- **Homebuyer Readiness Training**: Prospective homebuyer must be enrolled in and complete the Homebuyer Readiness Training class as a condition for participation in the Homeownership program.

25.5 GOOD STANDING REQUIREMENTS

Applicants must be in good standing under their lease or HCVP (Section 8) voucher at the time of application to be approved for the Scattered Site Homeownership program and remain in good standing through the settlement of the property. Public Housing residents must receive a referral from his/her Housing Management Asset Manager or other designated representative. HCV participants must provide documentation from their landlord that they are a tenant in good standing. In the event that the HCV landlord will not cooperate with the good standing request, HABC may use other documentation such as rent receipts and utility payment history.

Good standing is defined as follows:

- The participant is in compliance with the current lease.

- The participant is not currently under investigation for possible lease violations.

- There is no HABC initiated breach of lease action against the participant by HABC or landlord in the HCV program;

- The participant's rent payments are current (including utilities and other charges);

- The participant must have a record of no late rental payments within a 12-month period) (for participants in the HCVP, the current landlord must provide the participant's payment history).

- The participant has not been evicted from public or private housing within the last 3 years; and

- There is no evidence of a recurring breach of lease resulting in judgment in favor of HABC or any other landlord within the past 12 months

25.6 PARTICIPANTS WHO HAVE A FAMILY MEMBER WITH A DISABILITY

If a participant or any family member who will reside in the purchased home has a disability and requires accessible features, the following reasonable accommodations and special assistance will be provided:

- The family will be provided information and application assistance for the Maryland State Disability Mortgage Program which has liberal underwriting criteria and may offer a lower than market interest rate.

- The family will be given information about applying for a Direct Homeownership Assistance grant for closing cost or down payment assistance (beyond the down payment required from the buyer's own funds), as long as program funds are available.

- Processing of a reasonable accommodation request for accessible features.

25.7 ELIGIBLE PROPERTIES

HABC scattered site properties are eligible for purchase under this program. The determination of which properties are eligible for homeownership will be made solely by HABC based on its assessment of the best interests of the community and the agency.

25.7.1 Property Feasibility

The determination as to which properties are eligible for homeownership will be made solely by HABC based on its assessment of the community and the agency's best interests.

HABC will consider but make no warranty to make repairs requested by the prospective homebuyer. The general scope of repairs and renovations to be considered for properties in the homeownership program will consist of updating or upgrading heating, plumbing, electrical systems, windows, appliances, cabinetry, and roofs. HABC limits the scope of repairs and

renovations of units disposed of directly by HABC to eligible purchasers to $75,000 per unit, which may be increased by HABC to accommodate renovations related to disability accessibility or rehabilitation of properties within the historic districts.

If a candidate family states a preference to buy its current residence, HABC will evaluate the feasibility of satisfying that preference. The property must meet the rehabilitation cost limit test.

Rehabilitation cost limit test: the rehabilitation costs cannot be more than 1/3 of the appraised value after rehab.

If the rehabilitation exceeds the cost limit or the family is unable to afford the unit, the family will be offered choices among HABC's vacant house inventory for which rehabilitation is completed or well underway.

25.7.2 Purchase & Resale Entities

HABC allows for disposition of vacant scattered sites to PREs, subject to HUD disposition approval, in accordance with 24 CFR 906. PREs are community partners with the legal and administrative capacity to carry out homeownership and resale activities.

HABC enters into a written agreement with each designated PRE including the following requirements:

1. Resales must be to residents of conventional public housing;

2. HABC will market the program and refer eligible residents to the PRE, in accordance with mutually agreed upon selection criteria including, but not limited to, residents must be in good standing with HABC and have the financial capacity needed to support homeownership costs; 3) and,

3. Eligible residents will pay a non-refundable property reservation fee of up to $1,000 to the PRE, which shall be applied towards buyer's out-of-pocket expenses associated with the purchase.

25.7.3 Home Inspections and Code Requirements

HABC's properties rehabilitated for homeownership purposes will meet all of the relevant housing and building code requirements of state and local law. HABC will strongly recommend that the prospective buyer obtain an independent home inspection for the family's own information. A list of licensed and qualified home inspectors may be obtained from the Maryland Department of Labor Licensing and Regulation. The cost of the home inspections will be credited toward the buyer's minimum cash contribution.

25.7.4 Property Appraisals and Sales Price

HABC will contract for an independent appraisal of a property. The appraisals will establish the current as is value and or value based on the after-rehab value of the property (based upon a scope of work for planned modifications or rehabilitation). The sale price, also known as contract price,

will be the current as is or value of the property after completion of any modifications or rehabilitation of the property. The perspective buyer(s) must be able to qualify for a first mortgage based on the sales price.

25.8 FINANCING

25.8.1 First Mortgage Financing

The participant is responsible for obtaining first mortgage financing. HABC will strongly urge that a participant secure a mortgage loan from a Fannie Mae or Freddie Mac approved lending institution. If a participant chooses to use a mortgage broker, the mortgage broker must adhere to HABC written policy.

Lenders must provide a loan estimate to the participant that includes:

- Any points, fees, or other charges.
- Any mortgage insurance fees; and
- Any monthly escrow amounts required for property taxes and homeowner's insurance.

More specifically, lenders must not charge in excess of three (3) points -- one (1) point for the origination fee and two (2) points for the mortgage interest rate discount. Lenders must charge only the actual fee incurred by the lender for obtaining the credit report and appraisal and any other documents and services required as part of the mortgage transaction. Lenders must adhere to the disclosure requirements set forth in applicable federal law and regulations. No lender will be given favored treatment by HABC.

25.8.2 Ineligible First Mortgage Finance Products

HABC will not sell a property to a participant who obtains financing as a result of the following mortgage products:

- No documentation loans
- Interest only loan
- Conventional 80/20 loan
- Adjustable-rate loan
- Balloon payment loans

Any loans for which prepayment penalties or fees are applicable, or will be assessed, are not eligible for use with HABC homeownership programs.

25.8.3 Second Mortgages

Subject to funding availability, HABC may offer non-cash, non-interest bearing second mortgages to eligible homebuyers up to 25% of the after-rehab appraised value of the property, which may be increased to up to 50% on a case-by-case basis or in extenuating circumstances as long as HABC funding is available to support such mortgages. HABC second mortgage assistance may be made only after eligible homebuyers have obtained a first mortgage commitment to the fullest extent that income will allow and which must be for at least 75% of the sale price. If the participating family can afford a first mortgage for the full appraised value of the property, no second mortgage will be provided.

HABC requires that second mortgages be paid back in full during or after the first mortgage has been paid in full, or if the property or any part of the land thereof is refinanced, or if ownership is transferred or sold.

Closing Costs – HABC may match prospective Scattered Site homebuyer's personal cash contribution up to $5,000. Matching grants will be based on need and only apply at closing after required personal contribution, government and/or lender assistance have been applied.

25.8.4 Recapture Provisions and Deed Restrictions

If a property acquired through HABC's scattered sites homeownership program is resold, refinanced with a cash-out or leased, the following recapture provisions will take effect. During the first five years of homeownership, HABC will be entitled to full reimbursement of the amount of the non-cash second mortgage; and 50% of the appreciation of the property. After the fifth anniversary of the sales date, if the property is resold, HABC will recapture decreasing ***percentages*** of the non-cash second mortgage ***and appreciation.*** If a property purchased through HABC's Scattered Sites Homeownership program is resold, refinanced with a cash-out or leased, during the first 10 years after sale, the following recapture provisions will take effect:

1) First 5 years – 50% of appreciation;

2) Years 6-10 – 25% of appreciation;

3) Year 11 and beyond – no recapture of appreciation.

25.9 PRE-SALE COSTS, CLOSING COSTS, AND DOWN PAYMENT REQUIREMENT

Certain costs associated with the implementation of this program may be incurred prior to the sale of a scattered site unit to a participant. Prior to the sale of the property, the unit is still owned by HABC and the family is still an HABC resident or an HABC voucher participant. HABC will pay for the appraisal conducted prior to sale for the purpose of establishing the sales price.

The traditional services of a real estate agent for either the buyer or the seller are not required. Nonetheless, HABC will not prohibit participating families from employing the services of a buyer's agent. If a participant chooses to hire a real estate agent licensed to perform services in the

State of Maryland, the participant will be responsible for negotiating when the licensed real estate agent will be paid and for paying that fee by closing. HABC will strongly recommend that the prospective buyer negotiate agent fees including flat fees based on industry standards, sales price and services provided.

25.10 REPLACEMENT ESCROW ACCOUNTS

HABC strongly encourages the establishment of a replacement escrow account for each property sold. The purpose of the account is to ensure that larger, and often unexpected, maintenance needs or problems do not undermine the feasibility of homeownership for participating families.

Each buyer will be encouraged to make monthly contributions to the escrow account as part of the first mortgage monthly payments. Replacement escrow will provide a cushion to assist with the cost of replacing major appliances and maintenance expenses.

25.11 MAINTENANCE CONTRACT AND WARRANTIES

HABC will strongly suggest that the prospective buyers purchase a homeowner's maintenance contract from a reputable company. The cost typically ranges from $400 to $600 annually depending on the selected plan. To assist in the annual purchase cost of the maintenance contract, the homeowner may choose to establish a savings or escrow account.

HABC will guarantee that all major systems are operational and functional at the time of settlement. In addition, homeowners will be provided manufacturer warranties for all new appliances installed in the home. Homeowners will be responsible for contacting the manufacturer regarding issues related to the appliances. Any warranties and guarantees may be voided if the homeowner fails to provide proper care and maintenance or if it is determined that the problems resulted from homeowner, family member and or guest misuse, neglect, or carelessness.

25.12 SCATTERED SITE HOMEOWNERSHIP PROGRAM ADMINISTRATION

25.12.1 Approval Process

Prospective buyer(s) must receive a referral from their respective Housing Management Asset Manager or Housing Management Program Specialist before a contract of sale can be executed. The approval process is as follows:

Residents on the rent roll are periodically mailed program related marketing materials describing the program.

- All completed applications are date stamped and processed according to date of receipt.
- The applicant's ability to qualify for a mortgage is evaluated based on income, debt, credit score and employment.
- All families who express interest in homeownership are required to provide verification of completion of all homeownership training and counseling requirements and complete any

other HABC required training. All training and certifications obtained must be valid until at least the settlement date

- Applicants must be in good standing under their lease or HCVP (Section 8) voucher at the time of application to be approved for the Scattered Site Homeownership program and remain in good standing through the settlement of the property. See **GOOD STANDING REQUIREMENTS.**

- Families are required to provide proof of financing prior to executing a sales contract.

25.12.2 Net Proceeds of Sales

HABC uses the proceeds of homeownership sales to further rehab units to be sold to buyers and for other affordable homeownership purposes (closing cost assistance) and administrative costs and services.

25.13 OTHER HOMEOWNERSHIP ASSISTANCE

The policies below reflect assistance which HABC provides outside of the MTW Scattered Sites Homeownership Program.

25.13.1 Down-Payment/Closing Cost Assistance

Down-payment/closing cost assistance is available to public housing families who purchase a property in the general market. These properties may be purchased in Baltimore City or Baltimore County. Additionally, down-payment/closing cost assistance may include public housing families who purchase a property from a PRE. Public Housing families who receive homeownership assistance in the form of the Housing Choice Voucher or Special Homeownership Voucher are not eligible for the down payment/closing cost assistance.

Subject to funding availability, HABC may offer a one-time down-payment or closing cost assistance up to $10,000 for eligible Public Housing first time homebuyers in HABC's MTW Homeownership program. Families will be required to be enrolled in HABC's Homebuyer Readiness Training program, attend required homeownership counseling trainings and workshops and provide counseling certificates from one of the HABC approved HUD certified Housing Counseling Agencies.

The property purchased must be in Baltimore City/County and the property must pass a lead test, a general home inspection and Housing Quality Standard (HQS) inspection**.** HABC will establish criteria and guidelines to determine the amount awarded. HABC will not require the funds to be refunded unless the family is unable to obtain a mortgage to purchase a home in Baltimore City/County that meets the program eligibility requirements, or the family fails to submit required program documentation.

The down payment/closing cost assistance will be granted at the time of settlement and paid directly to the title company. Funding is to be applied directly as down payment or applied to the closing cost. Excess funds will be required to be applied as a principal curtailment or returned to the Housing Authority of Baltimore City.

APPENDIX A: ACRONYMS USED IN PUBLIC HOUSING

1. **ACC** Annual contributions contract
2. **ACOP** Admissions and continued occupancy policy
3. **ADA** Americans with Disabilities Act of 1990
4. **AIDS** Acquired immune deficiency syndrome
5. **AMI** Area median income
6. **AMP** Asset management project
7. **BR** Bedroom
8. **BRHP** Baltimore Regional Housing Partnership (administers the Baltimore Housing Mobility Program)
9. **CDBG** Community Development Block Grant (Program)
10. **CFP** Capital fund program
11. **CFR** Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as "the regulations")
12. **CNI** Choice Neighborhoods Initiative
13. **COCC** Central office cost center
14. **CPI** Consumer price index (published monthly by the Department of Labor as an inflation indicator)
15. **DOFA** Date of final availability
16. **EID** Earned income disallowance
17. **EIV** Enterprise Income Verification
18. **EIOP** End of initial occupancy
19. **EOP** End of participation
20. **EPC** Energy performance contract
21. **FDIC** Federal Deposit Insurance Corporation
22. **FHA** Federal Housing Administration (HUD Office of Housing)
23. **FHEO** Fair Housing and Equal Opportunity (HUD Office of)
24. **FICA** Federal Insurance Contributions Act (established Social Security taxes)
25. **FMR** Fair market rent

26. FR Federal Register

27. FSLA Federal Labor Standards Act

28. FSS Family Self-Sufficiency (Program)

29. FY Fiscal year

30. FYE Fiscal year end

31. GAO Government Accountability Office

32. HA Housing authority or housing agency

33. HCV Housing choice voucher

34. HCVP Housing Choice Voucher Program

35. HERA Housing and Economic Recovery Act of 2008

36. HOPE VI Revitalization of Severely Distressed Public Housing Program

37. HOTMA Housing Opportunity Through Modernization Act of 2016

38. HUD Department of Housing and Urban Development

39. HUDCLIPS HUD Client Information and Policy System

40. IAIU Internal Audit and Investigations Unit (HABC unit that investigates certain types of lease violations and reviews IVIW & VAWA transfer requests)

41. IMS Inventory Management System

42. IPA Independent public accountant

43. IRA Individual retirement account

44. IRS Internal Revenue Service

45. IV/IW Intimidated Victim/Intimidated Witness

46. JTPA Job Training Partnership Act

47. LBP Lead-based paint

48. LAP Language assistance program

49. LEP Limited English proficiency

50. LIHTC Low-income housing tax credit

51. LIPH Low-income public housing

52. LTA Long term affordable

53. MTW Moving to Work

54. NEDs Non-elderly persons with disabilities

55. NOFA Notice of funding availability

56. OGC HUD's Office of General Counsel

57. OIG HUD's Office of Inspector General

58. OMB Office of Management and Budget

59. PASS Plan to Achieve Self-Support

60. PHA Public housing agency

61. PHAS Public Housing Assessment System

62. PIC PIH Information Center

63. PIH (HUD Office of) Public and Indian Housing

64. QA Quality assurance

65. QC Quality control

66. QHWRA Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)

67. RAB Resident Advisory Board

68. RAD Rental Assistance Demonstration Program

69. REAC (HUD) Real Estate Assessment Center

70. RFP Request for proposals

71. RIGI Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)

72. ROSS Resident Opportunity and Supportive Services

73. SSA Social Security Administration

74. SSI Supplemental security income

75. SWICA State wage information collection agency

76. TANF Temporary assistance for needy families

77. TPA Tenant participation activities

78. TR Tenant rent

79. TTP Total tenant payment

80. UA Utility allowance

81. UFAS Uniform Federal Accessibility Standards

82. UIV Upfront income verification

83. UPCS Uniform Physical Condition Standards

84. URA Uniform Relocation Act

85. URP Utility reimbursement payment

86. USCIS United States Citizens & Immigration Services

87. VAWA Violence Against Women Reauthorization Act of 2013

88. VCA Voluntary Compliance Agreement

APPENDIX B: GLOSSARY OF ACOP TERMS

1. ***Accessible.*** When used in reference to a building, physical structure or a portion of a building or structure, including a dwelling unit, means capable of being approached, entered, exited and used by individuals with disabilities, including persons who use wheelchairs. When used with respect to a program, means affording persons with disabilities an equal opportunity to participate in the program without disability-related barriers to access and incorporating the effective communication requirements of 28 C.F.R §§ 35.160 – 35.164.

2. ***Accessible dwelling units.*** When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical disabilities. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is "accessible" within the meaning of this paragraph.

3. ***Accessible facility.*** All or any portion of a facility other than an individual dwelling unit used by individuals with physical disabilities.

4. ***Accessible or accessibility features.*** Specific features added to housing units for use by a person with a disability. Accessible or accessibility features include, but are not limited to, grab bars, hand rails, lever handles on faucets, raised toilet seats and benches for a shower or bathtub.

5. ***Accessible route.*** For persons with a mobility disability, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAS). For persons with hearing or vision disabilities, the route need not comply with requirements specific to mobility.

6. ***Actual and imminent threat.*** Actual and Imminent Threat mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm.

7. ***Adaptability.*** The ability to change certain elements in a dwelling unit to accommodate the needs of persons with disabilities and persons who do not have disabilities; or the ability to meet the needs of persons with different types and degrees of disability.

8. ***Adjusted income.*** Annual income, less allowable HUD and HABC MTW deductions and allowances.

9. ***Affiliated individual.*** With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

10. ***Annual contributions contract (ACC).*** The written contract between HUD and HABC under which HUD agrees to provide funding for a program under the 1937 Act, and HABC agrees to comply with HUD requirements for the program.

11. ***Annual income.*** The anticipated total 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.

12. ***Applicant (applicant family).*** A family that has applied for admission to a program but is not yet a participant in the program.

13. ***Assets.*** (See *net family assets.*)

14. ***Auxiliary aids.*** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

15. ***Bifurcate.*** With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

16. ***Child.*** *A* member of the family other than the family head, co-head or spouse who is under 18 years of age and who is not an emancipated minor.

17. ***Childcare expenses.*** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

18. ***Citizen.*** All persons born or naturalized in the United States.

19. ***Co-head.*** An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

20. ***Community service***. The performance of voluntary work or duties that are a public benefit and that serves to improve the quality of life, enhances resident self-sufficiency, or increases resident self-responsibility in the community. Community service is not employment and does not include political activities (except voter registration activities).

21. ***Confirmatory review.*** An on-site review performed by HUD to verify the management performance of HABC.

22. ***Consent form.*** Any consent form approved by HUD, HABC or the privately owned/managed sites to be signed by assistance applicants and residents to obtain information from any third-party source.

23. ***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. The term 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.

24. ***Dating violence.*** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
    - The length of the relationship
    - The type of relationship
    - The frequency of interaction between the persons involved in the relationship.

25. ***Day Laborer.*** An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future. Income of a day laborer is not considered non-recurring income and must be included in income.

26. ***Dependent.*** A member of the family (excluding foster children and foster adults) other than the family head, co-head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

27. ***Dependent Deduction.*** An exemption of $480 for each member of the family residing in the household (other than the head, co-head or spouse, live-in aide or foster child) who is under eighteen years of age or who is eighteen years of age or older and has a disability, or is a full-time student.

28. ***Designated Housing Plan.*** The plan submitted by HABC and approved by HUD under which HABC is permitted to designate a building, or portion of a building, for occupancy by elderly families or families with disabilities.

29. ***Developments.*** See ***Housing Projects.***

30. ***Disability assistance expenses.*** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a family member with a disability, and that are necessary to enable a family member (including the member with the disability) to be employed, actively seek work or attend school provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

31. ***Disabled Family or Families with disabilities*.** A family whose head, co-head, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with a live-in aide.

32. ***Disabled person.*** See *person with disabilities.*

33. ***Displaced family*.** A family in which each member, or whose sole member, is a person displaced from the family's residential unit by governmental action that occurs in Baltimore City, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster in the Baltimore Metropolitan area declared or otherwise formally recognized pursuant to federal disaster relief laws.

34. ***Domestic violence.*** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

35. ***Domicile*.** The legal residence of the head of household, co-head or spouse as determined in accordance with state and local law.

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

37. ***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. Such program may include job training, employment counseling, work placement, basic skills training, education, English proficiency, financial or household management, apprenticeship, or any other program necessary to prepare a resident to work. An economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603(c).

38. ***Effective date.*** The "effective date" of an examination or reexamination refers to: (i) in the case of an examination for admission, the date of initial occupancy and (ii) in the case of any reexamination of an existing resident, the date the re-determined rent becomes effective.

39. ***Elderly family*.** A family whose head, co-head, spouse, or sole member is a person who is at least 62 years of age.

40. ***Elderly person*.** An individual who is at least 62 years of age.

41. ***Eligible family.*** A family that is income eligible and meets the other requirements of the Housing Act of 1937, as amended, and Part 5 of 24 CFR.

42. ***Emancipated minor***. A person under the age of 18 classified as an adult.

43. ***Employer identification number (EIN).*** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

44. ***Eviction Notice.*** A notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action.

45. ***Evidence of citizenship or eligible status.*** The documents which must be submitted as evidence of citizenship or eligible immigration status. (See 24 CFR 5.508(b).)

46. ***Exempt Status.*** The status of residents who do not have to comply with the community & self-sufficiency requirement.

47. ***Extremely low-income family.*** A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area as determined by HUD, whichever number is higher, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. (See 24 CFR 5.603.)

48. ***Facility.*** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.

49. ***Fair Housing Act.*** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

50. ***Fair market rent (FMR).*** The rent, including the cost of utilities (except telephone, cable and internet services), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with suitable amenities. See periodic publications in the *Federal Register* in accordance with 24 CFR Part 888.

51. ***Family self-sufficiency program (FSS program).*** The program established by HABC in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

52. ***Federal agency.*** A department of the executive branch of the federal government.

53. ***Flat rent.*** A rent established by HABC for each public housing unit based on the market rent charged for comparable units in the unassisted rental market, set at no less than 80 percent of the applicable Fair Market Rent (FMR), and adjusted by the amount of the utility allowance, if any.

54. ***Foster child care payment.*** A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

55. ***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 students under the standards and practices of the educational institution attended). (See 24 CFR 5.603)

56. ***Gender Identity.*** Means the gender with which a person identifies, regardless of the sex assigned to that person at birth and regardless of the person's perceived gender identity. Perceived gender identity means the gender with which a person is perceived to identify based on that person's appearance, behavior, expression, other gender related characteristics, or sex assigned to the individual at birth or identified in documents.

57. ***Handicap.*** (See *person with disabilities*.)

58. ***Head of household.*** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent and is responsible for the lease.

59. ***Household.*** A household includes additional people other than the family who, with HABC's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

60. ***Housing agency (HA).*** See *public housing agency.*

61. ***Housing and Community Development Act of 1974.*** The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

62. ***Housing Projects.*** Housing that is publicly financed through development, construction and/or operation for low income, very low income and extremely low-income families. Such housing is also referred to as developments, communities, complexes, AMPs, sites and scattered site properties and may be at a single location or may be at scattered locations or in a mixed income development.

63. ***HUD.*** The U.S. Department of Housing and Urban Development.

64. ***Imputed asset.*** An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

65. ***Imputed asset income.*** HUD-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed $5,000.

66. ***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.

67. ***Income.*** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

68. ***Income-based rent.*** The resident's rent, which is based on the family's income and HABC's rent policies for determination of such rents.

69. ***Income Disallowance.*** Income excluded from the calculation of annual income.

70. ***Income Targeting.*** The HUD requirement that 40% of all new admissions in public housing during any given fiscal year be reserved for extremely low-income families. This requirement may be modified in HABC's MTW Agreement.

71. ***Independent Contractor:*** An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self- Employment Tax. In general, an individual is an independent contractor if they have the right to control or direct only the conduct of the work. Gig workers, such as babysitters, landscapers, rideshare drivers and house cleaners generally fall into this category.

72. ***Indian.*** Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any state.

73. ***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.

74. ***Individual with handicaps*****.** See *person with disabilities.*

75. ***Interdependent relationship****. A close personal relationship in which two people live together, one or each provides financial support, domestic support or personal care to the other.*

76. ***Intimidated Crime Victim ("IV")*** – Means a person subject to a credible threat of imminent harm or threatened harm in connection with the person's status as a victim of a criminal act that is planned, threatened, attempted or completed, who is cooperating with law enforcement."

77. ***Intimidated Crime Witness ("IW")*** – Means a person subject to a credible threat of imminent harm or threatened harm in connection with the person's status as a witness to a crime that is planned, threatened, attempted or completed, who is cooperating with law enforcement.

78. ***Jurisdiction*****.** The area in which HABC has authority under state and local law to administer the program.

79. ***Landlord*****.** Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

80. ***Lease*****.** A written agreement between HABC or a privately owned/managed site and a resident family for the leasing of a federally assisted housing unit. The lease establishes the legal relationship between HABC or the privately owned/managed site and the resident family.

81. ***Live-in aide.*** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons.
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

82. ***Local preference.*** A preference used by HABC to select among applicant families.

83. ***Low-income family.*** A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.

84. ***Maximum rent***. ***Privately owned/managed sites:*** Privately owned/managed sites may have maximum rents that are lower than the flat rents. When the maximum rent is lower than the flat rent, the resident will be given the choice between the income-based rent and the maximum rent for the unit instead of the flat rent.

Mixed families: Public housing maximum rents are used to calculate the tenant rent for a mixed family. The public housing maximum rent is based on the value of the 95th percentile of the total tenant payment (TTP) for each tenant within HABC. HABC recalculates the public housing maximum rents on an annual basis.

85. ***Medical expenses.*** 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 10 percent of annual income.

86. ***Minimal income***. A minimal income household is one where the combined gross household income is less than $2,400 per year.

87. ***Minimum rent.*** An amount established by HABC or the privately owned/managed sites of up to $50.

88. ***Minor.*** A member of the family household other than the family head, co-head or spouse, who is under 18 years of age.

89. ***Mixed family.*** A family whose members include persons with U.S. citizenship or eligible immigration status and persons who do not have U.S. citizenship or eligible immigration status.

90. ***Monthly adjusted income.*** One twelfth of adjusted income (see definition of *adjusted income*).

91. ***Monthly income.*** One twelfth of annual income (see definition of *annual income*).

92. ***Moving To Work Demonstration Program.*** As established under the Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) (the

"1996 Appropriations Act") for purposes of providing public housing agencies the flexibility to design and test various approaches for providing and administering housing assistance that reduces cost and achieves greater cost effectiveness in Federal expenditures; gives incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and increase housing choices for low-income families.

93. ***National (U.S. 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.

94. ***Near-elderly family*****.** A family whose head, co-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, either of whom is 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 a live-in aide.

95. ***Non-elderly person with a disability or NED.*** A family whose sole member, head of household or head of household's spouse is a person with a disability who is under age 62 and who is eligible for a one-bedroom public housing unit or for a two-bedroom public housing unit because a second bedroom is needed for disability related reasons.

96. ***Noncitizen.*** A person who is neither a citizen nor a national of the United States.

97. ***Non-Public Housing Over Income Family (NPHOI):*** A family who has been over-income for 24 consecutive months and who lives in an HABC public housing unit under an NPHOI lease

98. ***Obsolete as to physical conditions***. Where HABC has made a determination that one or more properties adjacent to a Scattered Sites property is in a state of disrepair due to abandonment and/or structural deficiency that may pose a threat to the safety of an occupant of the HABC-owned unit.

99. ***Occupancy Standards.*** Established by HABC to determine the appropriate number of bedrooms for families of different sizes and compositions.

100. ***Other Adult***. A family member who is 18 or older who is not the head, co-head or spouse.

101. ***Over-Income Family.*** A family whose income exceeds the over-income limit.

102. ***Over-Income Limit.*** The over-income limit is determined by multiplying the applicable income limit for a very-low income family, as defined in 5.603(b) by a factor of 2.4.

103. ***Person with disabilities.*** *For the purposes of program eligibility*. A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical, emotional, developmental or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions.

This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

104.*Premises.* The building or complex in which the dwelling unit is located, including common areas and grounds.

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

106.*Previously unemployed.* With regard to the earned income disallowance, a person who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

107.*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.

108.*Public housing agency (PHA).* Any state, county, municipal, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized by HUD to engage or assist in the development or operation of low-income housing under the 1937 Housing Act, as amended.

109. *Quality Housing and Work Responsibility Act of 1998.* The Act which amended the U.S. Housing Act of 1937 and is also known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

110.*Reasonable accommodation.* A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access HABC's programs or services.

111.*Recertification (also called reexamination).* The process of securing documentation of total family income and family composition used to determine the rent the resident will pay until the effective date of the next scheduled reexamination if there are no additional changes to be reported.

112.*Remaining member of the resident family (residual member).* The person left in assisted housing who may or may not qualify for assistance on the person's own circumstances.

113.*Rent burden.* When a resident pays more than 40% of the household income on rent and a payment agreement with HABC.

114.*Residency preference.* HABC preference for admission of families that live in Baltimore City/County. (See *residency preference area.*)

115.*Residency preference area.* The city/county of Baltimore, MD.

116.*Responsible entity*. For the public housing program, HABC administering the program under an ACC with HUD is the responsible entity.

117.*Seasonal Worker:* An individual who is hired into a short-term position and the employment begins about the same time each year. Typically, the worker is hired to address seasonal demands that arise for the particular employer or industry.

118.*Secretary*. The Secretary of U. S. Department of Housing and Urban Development.

119.*Section 8*. This section of the United States Housing Act of 1937 authorizes subsidies currently known as tenant based and project-based vouchers.

120.*Section 214*. This section restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

121.*Section 9.* This section of the United States Housing Act of 1937 authorized the creation and operation of public housing.

122.*Section 504 of the Rehabilitation Act of 1973.* This law requires that at least 5% of all units in federal-funded properties be accessible to people with mobility impairments, at least 2% of all of the units be accessible to people with sensory impairments, that reasonable accommodations be made when necessary to allow full use of housing and that housing for persons with disabilities be as integrated as possible.

123.*Security deposit.* A dollar amount (maximum set according to state law) which can be used for unpaid rent or damages to HABC and the privately owned/managed sites upon the end of the tenancy. Currently, the security deposit is the lesser of one month's rent or $50.00.

124.*Sexual assault.* Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a)).

125.*Sexual orientation.* Homosexuality, heterosexuality or bisexuality.

126.*Single person.* A person living alone or intending to live alone.

127.*Social security number (SSN)*. The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

128.*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. (See definition of *imputed welfare income*.)

129.*Spouse.* The marriage partner of the head of household.

130.*Stalking.* To follow, pursue, or repeatedly commit acts with the intent to kill, sexually assault, falsely imprison, injure, harass, or intimidate; or to place under surveillance with the intent to kill, sexually assault, falsely imprison, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

131.*State wage information collection agency (SWICA).* The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

132.*Subsidized Project.* A multi-family housing project (except for 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 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.

133.*Tenant (Resident).* The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

134.*Tenant rent.* The amount payable monthly by the family (minus the utility allowance) as rent to HABC or to the privately owned/managed site.

135.*Total tenant payment (TTP).* The highest of 30% of the family's adjusted monthly income or 10% of the family's monthly income.

136.*Unauthorized occupants.* Anyone who has lived in the unit beyond the approved guest period who is not listed on the lease.

137. ***Utilities.*** Water and sewer services, electricity, gas and other heating services. Telephone, cable and internet services are not included.

138. ***Utility allowance.*** The estimated amount approved by HABC of the monthly cost of a reasonable consumption of utilities for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

139. ***Utility reimbursement.*** The amount paid to the family, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment (TTP) for the family occupying the unit.

140. ***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 there from under conditions other than dishonorable.

141. ***Violence Against Women Reauthorization Act (VAWA) of 2013.*** A landmark federal law enacted to improve criminal justice and community-based responses to domestic violence, dating violence, sexual assault and stalking, and to provide certain protections for victims of such crimes, regardless of gender or sexual orientation, including protections in the application for, and occupancy of housing.

142. ***Violent criminal activity.*** Any 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.

143. ***Waiting list.*** A list of families organized according to HUD regulations and HABC policy who are waiting for a unit to become available.

144. ***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, childcare 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.

APPENDIX C: SMOKE-FREE POLICY

I. PURPOSE OF THE POLICY

The Housing Authority of Baltimore City (HABC) adopts this Smoke-Free Policy (the "Policy" or "Smoke-Free Policy") in accordance with 24 C.F.R. § 965.653, which requires public housing authorities to develop and implement a policy prohibiting the use of prohibited tobacco products in their public housing living units and interior areas and other restricted areas as defined below. The Smoke-Free Policy is intended to improve indoor air quality, benefit the health of public housing residents and HABC staff, reduce the risk of fires, and lower overall maintenance costs. The Policy bars the use of prohibited tobacco products in all HABC public housing living units, and other restricted areas. The Smoke-Free Policy also extends to all outdoor areas up to twenty-five (25) feet from any HABC public housing unit and HABC administrative office buildings. A list of the properties affected by this policy can be found on HABC's website or provided upon request.

This Policy does not prohibit smoking outside of the smoke-free areas nor does it make HABC a guarantor of resident health or of the smoke-free condition of the resident's unit or common areas.

II. DEFINITIONS

Designated Smoking Area (DSA) - "Designated smoking area" or "DSA" means areas on the grounds near HABC public housing or administrative office buildings, at least twenty-five (25) feet from all doors and windows, in order to accommodate residents who smoke. These areas shall be outside of any restricted areas (as defined below), and may, if HABC deems appropriate, include partially enclosed structures. The location of all DSAs will be furnished upon request.

ENDS - "ENDS" means Electronic Nicotine Delivery System or e-cigarettes, also known as "vaping".

Interior Common Areas - "Interior common areas" include but are not limited to: hallways, rental and administrative offices, community centers, day care centers, laundry centers, electrical closets, storage units and similar structures.

Notice of Violation – A Notice of Violation or "Notice" - means notice to the resident in writing and delivered to the Dwelling Unit or sent by prepaid first-class mail, properly addressed to the resident. Such Notice will include the specific violation of the Smoke Free Policy and also state the outcome(s) for failure to correct such violation(s).

Prohibited Tobacco Products - "Prohibited tobacco products" are items that involve the ignition and burning of tobacco leaves, such as: cigarettes, cigars, and pipes, including water pipes ("hookahs").

Public Housing - Public housing is defined as low-income housing, and all necessary

appurtenances (*e.g.*, community facilities, public housing offices, day care centers, and laundry rooms) thereto, assisted under the U.S. Housing Act of 1937 (the 1937 Act), other than assistance under section 8 of the 1937. Public Housing includes Scattered Sites units.

Restricted Area – Restricted area means all public housing living units, interior common areas and outdoor areas within 25 feet from public housing and administrative office buildings.

Smoke-Free Areas - Smoke-Free Areas are areas where smoking is prohibited such as living units and interior common areas, including but not limited to bathrooms, lobbies, hallways, stairways, elevators, management offices, community rooms balconies and on the grounds of all HABC properties including playgrounds, basketball courts, lawns, parks, courtyards, walkways and parking lots except in Designated Smoking Areas (DSAs).

Smoking - Smoking is defined as inhaling, exhaling, breathing or carrying any lit cigar, cigarette, pipe, other tobacco product or similarly lighted smoking material in any manner or in any form. E-cigarettes are not considered smoking under this policy.

Water Pipes (hookahs) - Water pipes (also known as "hookahs") are smoking devices that use coal or charcoal to heat tobacco, and then draw the smoke through water and a hose to the user. Both the heating source and burning of tobacco are sources of contaminant emissions.

III. PROMOTION OF SMOKE-FREE POLICY

HABC will post signs in the management offices and in conspicuous locations throughout the developments and HABC offices that reference the Smoke-Free Policy. The signs will be in a format accessible to all residents and visitors (including persons with disabilities). HABC will also use various communication letters, flyers, and resident meetings to share information on the Smoke-Free Policy.

IV. PUBLIC HOUSING PROPERTIES COVERED UNDER THE POLICY

Smoking is prohibited in the locations outlined below:

1. All public housing residential units (including HABC's Scattered Sites inventory);
2. Common areas such as stairwells, community centers, lobbies, laundry rooms and hallways.
3. Areas within 25' of all residential, management and administrative offices
4. Playgrounds and Basketball courts on HABC properties
5. Balconies and porches on HABC properties

V. PROPERTIES NOT SUBJECT TO THE POLICY

This Policy applies to all public housing properties owned by HABC. The Policy does not apply to properties that are not owned by HABC such as mixed-finance developments and properties assisted under the Housing Choice Voucher Program (HCVP). A list of mixed-finance developments that are not subject to this policy is available upon request.

VI. TYPES OF TOBACCO PRODUCTS PROHIBITED UNDER THE POLICY

The smoking of ignited tobacco products such as cigarettes, cigars, and pipes, including water pipes (hookahs) is prohibited under this Policy. The use ENDS within a dwelling unit is not prohibited by this Policy but the use of such electronic cigarettes is prohibited in all other Smoke-Free Areas.

VII. SMOKING CESSATION PARTNERS

HABC will partner with appropriate organizations to provide smoking cessation information to residents. Medicaid recipients may be eligible to receive financial assistance for cessation services and prescription cessation medications depending on Maryland's Medicaid program. Cessation resources are currently available at: http://www.cdc.gov/tobacco/quit_smoking/index.htm. Residents may also contact national telephone-based tobacco cessation services ("quit lines") such as 1-800-QUIT-NOW, and community health centers to obtain information about services that are available through them. A list of HABC's cessation support partners will be provided to residents and will also be made available upon request.

VIII. DESIGNATED SMOKING AREAS (DSA)

HABC may, in its sole discretion, provide Designated Smoking Areas to accommodate residents that smoke. All Designated Smoking Areas will be outside of restricted areas. Designated Smoking Areas will include suitable wellness and safety features, such as appropriate seating, lighting and shade and will be accessible for persons with disabilities, in accordance with section 504 of the Rehabilitation Act of 1973 (and the U.S. Department of Housing and Urban Development's (HUD) implementing regulations at 24 CFR part 8), Title II of the Americans with Disabilities Act, and the Fair Housing Act. This may include a flat or paved pathway, ramp, and adequate lighting. Designated Smoking Areas are not required under HUD regulations, and HABC may, at any time restructure, remove in part or in whole, or otherwise eliminate a Designated Smoking Area as HABC deems appropriate, after giving notice to public housing residents of the affected site**.**

IX. HABC IS NOT A GUARANTOR OF A SMOKE-FREE ENVIRONMENT

HABC's adoption of this Smoke-Free Policy does not make HABC or any of its employees, official, contractors and agents the guarantor of: (1) the health of any resident, household member or guest, or HABC employee; or (2) the smoke-free condition of any resident's unit and the common areas. HABC will take reasonable steps to enforce the Smoke-Free Policy in accordance with the Lease Addendum that incorporates the Policy in the HABC lease.

X. ENFORCEMENT

A violation of this Policy constitutes grounds for initiation of the enforcement remedies of the Smoke-Free Policy. Violation of the provisions of the Policy by a household member, guest or any other person under the resident's (leaseholder) control constitutes a breach of the HABC lease. HABC will implement a graduated enforcement process that includes escalated warnings and documentation in the resident's file, up to and including lease termination, as follows:

1. **1st Violation** – When evidence of a violation of this Policy is received by HABC, such as smoking in a restricted area by a resident, household member, guest or any other person under the resident's control, the resident

will receive a written Notice of Violation. The Notice of Violation will inform the resident of the nature of the violation, and will request that the resident appear at the management office for a conference with the Asset Manager or other designee to receive support and informational materials, with a one-time option of having the 1st Violation expunged if: (a) the resident enters a cessation program within thirty (30) days of the date of the Notice of Violation; or (b) if the violation occurred due to smoking by a household member, guest or other person under the resident's control. The Notice of Violation will include information on how to reply to the Notice and the resident's right to file a grievance pursuant to the HABC Grievance Policy and Procedure (the "Grievance Policy") in effect at the time of such violation of this Policy.

2. **Second Violation** – When evidence of a violation by the same resident is received a second time by HABC, the resident will receive a second written Notice of Violation, which will describe the nature of the violation, and request a conference with the Asset Manager or other designee, to receive support and informational materials The Notice of Violation will inform resident of the opportunity for a one-time option of having the second Violation expunged only if *the option was not already used in response to the first Violation*, and (a) the resident enters a cessation program within thirty (30) days of the date of the Notice of Violation; or (b) if the violation occurred due to smoking by a household member, guest or other person under the resident's control . The Notice of Violation shall include information on how to reply to the Notice and the resident's right to file a grievance pursuant to the Grievance Policy in effect at the time of such violation. The Notice of Violation will also inform resident of the consequences of a further violation.

3. **Third Violation** –If evidence of a violation by the same resident is received a third time by HABC, the resident will receive a written Notice of Lease Termination. Notices of Lease Termination shall include information on how to reply to the Notice of Termination and the resident's right to file a grievance pursuant to the HABC Grievance Policy in effect at the time of such termination. Provided, however, that if the termination notice includes other basis for such lease termination that are not subject to a grievance under the Grievance Policy, such as certain criminal activity, the resident shall have no right to file a grievance on the violation of this Policy.

4. **Grievances** – Upon receipt of a Notice of Lease Termination, residents may file a grievance in accordance with HABC's Grievance Policy, a copy of which can be obtained from the Management Office of any HABC development, subject to subsection 3 of this section above.

5. **Eviction** – HABC may pursue resident eviction upon a third violation, subject to grievance procedures subsection 3 of this section above, and subsection 6 of this section below.

6. **Inapplicability of Graduated Process When Fire Results from A Violation**: The graduated enforcement process described above does not apply to any first or subsequent violation of this Policy that results in a fire in the resident's unit, or on the resident's development or on any other property owned or assisted by HABC. In such event, the provisions of the HABC lease that govern fires caused by the resident will control and resident will not receive any Notice of Violation as described above prior to a lease termination as provided in the lease.

XI. REASONABLE ACCOMMODTION REQUESTS

When a resident makes a reasonable accommodation request concerning this Policy, to address a disability, HABC will make the accommodation in accordance with HABC's policies and procedures, unless doing so would result in a fundamental alteration in the nature of the Smoke-Free Policy or cause an undue financial and administrative burden on HABC. For example, an individual with a mobility disability may request a reasonable accommodation to move to a section that provides easier access to a Designated Smoking Area. Such requests will be evaluated on a case-by-case basis in order to make a determination. However, HABC will not permit smoking in a restricted area as a reasonable accommodation for a disability.

Smokers with certain health conditions (e.g., cognitive impairment) may require special attention to ensure they understand the Policy and available cessation resources, as well as reasonable accommodation request procedures; however, such residents must comply with the Policy.

XII. TRANSFERS

Transfers to an alternate site with greater access to a non-restricted area or a Designated Smoking Area will not be available to HABC residents except as a reasonable accommodation to address a disability.

XIII. MARIJUANA

This Policy does not change any requirements regarding the possession and use of marijuana in federally subsidized housing. The possession and use of medical and non-medical marijuana are prohibited in public and federally assisted housing. Accommodations allowing the use of medical marijuana in public and federally assisted housing are not reasonable under the Fair Housing Act.

XIV. LEASE ADDENDUM

Residents will be required to sign a lease addendum that incorporates the Smoke-free Policy in the lease. In the lease addendum, residents acknowledge that: (1) HABC's adoption of this policy for a smoke-free living environment does not in any way change the standard of care that HABC or its Asset Managers would have to a resident household to render buildings and premises designated smoke-free any safer, more habitable, or improved in terms of air quality standards than any other rental property; (2) HABC specifically disclaims any implied or express warranties that the building, common areas, or resident's dwelling unit and premises

will have any higher or improved air quality standards than any other rental property; (3) HABC cannot and does not warrant or promise that the rental premises or common areas will be free from secondhand smoke; (4) HABC's ability to police, monitor or enforce the terms of the Policy and the lease addendum will be dependent in significant part on voluntary compliance by the resident, members of the household and guests, as well as by other residents and guests in other parts of the smoke-free area; and thus cooperation of residents is expected; And (5) Residents with respiratory ailments, allergies or other physical or mental conditions relating to smoke are informed that HABC does not assume any higher duty of care to enforce the Policy or the lease addendum than any other HABC obligation under the lease.

APPENDIX D: PROPERTY & RELATED WAITING LIST

This table represents the property and related waiting list used to fill vacant units where the unit will be filled by an applicant family. Where HABC accessible units are concerned, all waiting lists are used and the first family who requires the accessible features will be offered the unit.

UFAS: Uniform Federal Accessibility Standards
CAMPBWL: Centrally Administered Mixed Population Bailey Waiting List
CALBWL: Centrally Administered Location Based Waiting List
CAFAWL: Centrally Administered First Available Waiting List

Site Name	# UFAS units	CAMPBWL	HABC Accessible (all waiting list)	CALBWL & CAFAWL
Allendale	12	X		
Bel Park Towers	29	X		
Bernard E. Mason	30	X		
The Brentwood	7	X		
Chase House	32	X		
Ellerslie	16	X		
Govans Manor	10	X		
Hollins House	19	X		
J Van Story Branch	43	X		
Lakeview towers and Lakeview Extension	21	X		
McCulloh High Rise	44	X		
Monument East	51	X		
Primrose Place	9	X		
Rosemont Towers	21	X		
Wyman House	9	X		
PVG Senior	12	X		
PVG Townhomes	13			X
Senior Terraces	4	X		
Arbor Oaks	4			X
Broadway Overlook	5			X
Broadway 58	4			X
Heritage Crossing	4			X
Hillside Park	4			X
Hollander Ridge	5			X
Somerset Extension	5			X
Townes at the Terraces	11			X
Barclay I	8		X	

Site Name	# UFAS units	CAMPBWL	HABC Accessible (all waiting list)	CALBWL & CAFAWL
Barclay II	4		X	
Barclay III	3		X	
Bon Secours Gibbons	8		X	
Chai Fallstaff	1		X	
Chapel Green	4		X	
City Arts II	3		X	
Fells Point Station	8		X	
Flamingo Place Apartments	1		X	
Greenmount and Chase	2		X	
Keys Pointe Phase 1A	4		X	
Kes Pointe Phase 1B	4		X	
Lillian Jones	8		X	
Mulberry at Park	8		X	
North Avenue Gateway	5		X	
Orchard Ridge I	10		X	
Orchard Ridge II	8		X	
Orchard Ridge III	4		X	
Orchard Ridge IV	6		X	
Orchard Ridge V	2		X	
Penn Square I	1		X	
Penn Square II	3		X	
Poppleton II	4		X	
Poppleton III	3		X	
Reservoir Hill	7		X	
Sharp Leadenhall	3		X	
Uplands	6		X	
Walbrook Mill	1		X	
22 Light Street Apartments	2		X	
1234 McElderry	8		X	

APPENDIX E: FEDERALLY MANDATED INCOME EXCLUSIONS

FEDERAL REGISTER 6410-N-01: Published January 31, 2024

HUD's regulations provide for HUD to periodically publish in the Federal Register a notice that lists amount specifically excluded by any Federal statute from consideration as income for purposes of determining eligibility or benefits in a HUD program.

1. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b)). This exclusion also applies to assets;

2. Payments, including for supportive services and reimbursement of out-of-pocket expenses, for volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044(f)(1), 42 U.S.C. 5058), are excluded from income except that the exclusion shall not apply in the case of such payments when the Chief Executive Officer of the Corporation for National and Community Service appointed under 42 U.S.C. 12651c determines that the value of all such payments, adjusted to reflect the number of hours such volunteers are serving, is equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 *et seq.*) or the minimum wage, under the laws of the State where such volunteers are serving, whichever is the greater (42 U.S.C. 5044(f)(1)). This exclusion also applies to assets;

3. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)). This exclusion also applies to assets;

4. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 5506). This exclusion also applies to assets;

5. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)(1)). This exclusion also applies to assets;

6. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, section 6). This exclusion also applies to assets;

7. The first $2000 of per capita shares received from judgment funds awarded by the National Indian Gaming Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, and the first $2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands.

This exclusion does not include proceeds of gaming operations regulated by the Commission (25 U.S.C. 1407-1408). This exclusion also applies to assets;

8. Amounts of student financial assistance funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under Federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For section 8 programs only (42 U.S.C. 1437f), any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that individual if the individual is over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended)

9. Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056g);

10. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund (Pub. L. 101-201) or any other fund established pursuant to the settlement in *In Re Agent Orange Product Liability Litigation,* M.D.L. No. 381 (E.D.N.Y.). This exclusion also applies to assets;

11. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420 section 9(c)). This exclusion also applies to assets;

12. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);

13. Earned income tax credit (EITC) refund payments [1] received on or after January 1, 1991, for programs administered under the United States Housing Act of 1937, title V of the Housing Act of 1949, section 101 of the Housing and Urban Development Act of 1965, and sections 221(d)(3), 235, and 236 of the National Housing Act (26 U.S.C. 32(l)). This exclusion also applies to assets;

14. The amount of any refund (or advance payment with respect to a refundable credit) issued under the Internal Revenue Code is excluded from income and assets for a period of 12 months from receipt (26 U.S.C. 6409);

15. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (Pub. L. 95-433 section 2). This exclusion also applies to assets;

16. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

17. Any allowance paid to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802-05), children of women Vietnam veterans born with certain birth defects (38 U.S.C. 1811-16), and children of certain Korean and Thailand service veterans born with spina bifida (38 U.S.C. 1821-22) is excluded from income and assets (38 U.S.C. 1833(c)).

18. Any amount of crime victim compensation that provides medical or other assistance (or payment or reimbursement of the cost of such assistance) under the Victims of Crime Act of 1984 received through a crime victim assistance program, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime (34 U.S.C. 20102(c)). This exclusion also applies to assets;

19. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998 reauthorized as the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. 3241(a)(2));

20. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC). This exclusion also applies to assets;

21. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (Pub. L. 101-503 section 8(b)). This exclusion also applies to assets;

22. Payments from any deferred U.S. Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts (42 U.S.C. 1437a(b)(4));

23. Any amounts (i) not actually received by the family, (ii) that would be eligible for exclusion under 42 U.S.C. 1382b(a)(7), and (iii) received for service-connected disability under 38 U.S.C. chapter 11 or dependency and indemnity compensation under 38 U.S.C. chapter 13 (25 U.S.C. 4103(9)(C)) as provided by an amendment by the Indian Veterans

Housing Opportunity Act of 2010 (Pub. L. 111-269 section 2) to the definition of income applicable to programs under the Native American Housing Assistance and Self-Determination Act (NAHASDA) (25 U.S.C. 4101 *et seq.*);

24. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al.* v. *Ken Salazar et al.,* 816 F.Supp.2d 10 (Oct. 5, 2011 D.D.C.), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (Pub. L. 111-291 section 101(f)(2)). This exclusion also applies to assets;

25. Any amounts in an "individual development account" are excluded from assets and any assistance, benefit, or amounts earned by or provided to the individual development account are excluded from income, as provided by the Assets for Independence Act, as amended (42 U.S.C. 604(h)(4));

26. Per capita payments made from the proceeds of Indian Tribal Trust Settlements listed in IRS Notice 2013-1 and 2013-55 must be excluded from annual income unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds. Such amounts received in excess of the Tribal Trust Settlement are included in the gross income of the members of the Tribe receiving the per capita payments as described in IRS Notice 2013-1. The first $2,000 of per capita payments are also excluded from assets unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds (25 U.S.C. 117b(a), 25 U.S.C. 1407);

27. Federal assistance for a major disaster or emergency received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)). This exclusion also applies to assets;

28. Any amount in an Achieving Better Life Experience (ABLE) account, distributions from and certain contributions to an ABLE account established under the ABLE Act of 2014 (Pub. L. 113-295.), as described in Notice PIH 2019-09/H 2019-06 or subsequent or superseding notice is excluded from income and assets; and

29. Assistance received by a household under the Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act, 2021 (Pub. L. 116-260, section 501(j)),

and the American Rescue Plan Act of 2021 (Pub. L. 117-2, section 3201). This exclusion also applies to assets.

APPENDIX F: VAWA EMERGENCY TRANSFER PLAN

Emergency Transfer/Move Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking
Dated June 13, 2017

A.Emergency Transfers/Move Vouchers

The Housing Authority of Baltimore City ("HABC") is concerned about the safety of its residents in the Low-Income Public Housing ("LIPH") and participants in the Housing Choice Voucher Program ("HCV"), and such concern extends to residents and participants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act ("VAWA"),[3] HABC allows residents and participants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer or emergency move voucher from the resident or participant's current unit, to another unit under the covered program. The ability to request a transfer or move voucher is available regardless of sex, gender identity, or sexual orientation.[4] HABC's ability to honor such request for residents and participants currently receiving assistance, however, may depend upon a preliminary determination that the resident or participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and in the case of residents, on whether HABC has another dwelling unit that is available and is safe to offer the resident for temporary or more permanent occupancy.

This plan identifies residents and participants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to residents and participants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development ("HUD"), the Federal agency that oversees that the LIPH and HCV programs administered by HABC are in compliance with VAWA.

B.Eligibility for Emergency Transfers/Move Vouchers

A resident or participant who is a victim of domestic violence, dating violence, sexual assault, or

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[3] Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

[4] Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status

stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the resident or participant reasonably believes that there is a threat of imminent harm from further violence if the resident or participant remains within the same unit. If the resident or participant is a victim of sexual assault, the resident or participant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.
A resident or participant requesting an emergency transfer/move voucher must expressly request the transfer/move voucher in accordance with the procedures described in this plan. Residents or participants who are not in good standing may still request an emergency transfer/move voucher if they meet the eligibility requirements in this section.

C.Emergency Transfer/Move Voucher Request Documentation

Residents - To request an emergency transfer, a resident shall notify the management office of the resident's development (the "Management Office") and submit a written request for a transfer to the Management Office using the form approved by HABC.

Participants - To request an emergency move voucher, a participant shall notify the HCV Office located at 1225 West Pratt Street, Baltimore, MD 21223 (the "HCV Office") and submit a written request for a move voucher to the HCV Office using the form approved by HABC.

HABC will provide reasonable accommodations to this policy for individuals (residents and participants) with a disability.

The resident or participant's written request for an emergency transfer/move voucher should include either:

1. A statement expressing that the resident or participant reasonably believes that there is a threat of imminent harm from further violence if the resident or participant were to remain in the same dwelling unit assisted under the covered program; or

2. A statement that the resident or participant is a sexual assault victim and the sexual assault occurred on the resident's or participant's premises during the 90-calendar-day period preceding the resident or participant's request for an emergency transfer/move voucher.

D. Confidentiality

HABC will maintain in a confidential manner, any information that the resident or participant submits in requesting an emergency transfer/move voucher, and information about the emergency transfer/move voucher, unless; (1) the resident or participant gives HABC written permission to release the information on a time limited basis; or (2) disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the resident or participant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the resident or participant. The Notice of Occupancy Rights under the Violence Against Women Act for All Residents (and

the Notice of Occupancy Rights Under the Violence Against Women Act for All Participants) provides additional information about HABC's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

E.Emergency Transfer/Move Voucher Timing and Availability

HABC cannot guarantee that a transfer/move voucher request will be approved or how long it will take to process a transfer/move voucher request. HABC will, however, act as quickly as possible to move a resident or participant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit.

Residents - If a resident reasonably believes a proposed transfer unit would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred resident must agree to abide by the terms and conditions that govern occupancy in the unit to which the resident has been transferred. HABC may be unable to transfer a resident to a particular unit if the resident has not or cannot establish eligibility for that unit.

If HABC has no safe and available units for which a resident who needs an emergency transfer is eligible, HABC will assist the resident or participant in identifying other housing providers who may have safe and available units to which the resident could move. At the resident or participant's request, HABC will also assist the resident or participant in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

F.Safety and Security of Residents and Participants

Pending processing of the transfer/move voucher request and the actual transfer or move, if it is approved and occurs, the resident or participant is to be urged to take all reasonable precautions to be safe.

A resident or participant who is or has been a victim of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. Persons with a hearing impairment may call 1-800-787-3224 (TTY).

A resident or participant who is or has been a victim of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE or visit the online hotline at *https://ohl.rainn.org/online.*

A resident or participant who is or has been a victim of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at *https://www.victimsofcrime.org/our-programs/stalking-resource-center*.

Attachment: List of local organizations aiding victims of domestic violence, dating violence, sexual assault, or stalking.

APPENDIX G: OVER-INCOME LIMITS

Effective April 1, 2025

Over Income Limit 2025

	Persons in Family							
	1	2	3	4	5	6	7	8
Very Low Income Limit x 2.4	$109,560	$125,160	$ 140,760	$156,360	$168,960	$ 181,440	$ 193,920	$206,400

Over income limit is applied to a family's gross income.
Uses the very low-income limit times 2.4
Updated income limits are generally published by HUD in April of each year.

APPENDIX H: HABC'S DWELLING LEASE & RELATED ATTACHMENTS

HABC's Lease and related attachments can be found on HABC's website using the following links:

- Residential Lease
- Authorized Household Members Record
- Notice of Schedule of Charges for Maintenance & Repairs
- Grievance Policy & Procedures (Also in this ACOP as Appendix I:**GRIEVANCE POLICY & PROCEDURE)**
- Disclosure of Information on Lead-Based and/or Lead-Based Paint Hazards Prevention Notice
- Pet Policy (Also in this ACOP as Appendix J: **PET POLICY**)
- Community Service Policy
- Mold Prevention Notice
- Combination Carbon Monoxide and Smoke Alarm Notice
- Lease Addendum for Occupancy of Accessible Units
- Smoke-Free Lease Addendum & Smoke Free Policy (Also in this ACOP as Appendix C: **SMOKE-FREE POLICY)**
- Lease Addendum for Prevention & Extermination of Bed Bugs, Rodents and Other Pests

APPENDIX I: GRIEVANCE POLICY & PROCEDURE

PURPOSE

This grievance policy and procedures (the "Grievance Policy") is established to ensure that residents are afforded an opportunity for a fair hearing if the resident disputes any Housing Authority of Baltimore City (HABC) action or failure to act involving the resident's lease or HABC actions, which adversely affects the individual resident's welfare, rights, duties or status. Tenancy shall not terminate until such time as the grievance process has been completed. This Grievance Policy shall be incorporated by reference into the dwelling lease and made an attachment to the lease.

This Grievance Policy also applies to the privately owned/managed sites that do not have separate admissions and continued occupancy policies, which include a grievance policy.

II. APPLICABILITY

Maryland law affords residents the opportunity for a court hearing that provides the basic elements of due process (as defined below) before eviction from the dwelling unit. Therefore, this Grievance Policy shall be applicable to only the individual grievances defined in Section III.F below. The following are not subject to this Grievance Policy:

A. Refusal to pay rent when due unless the amount of rent charged is in dispute.

B. Disputes between residents not involving management.

C. Class grievances.

D. Any criminal activity that threatens the health, safety, or the right to peaceful enjoyment of the premises of other residents or employees of HABC.

E. Any violent or drug related criminal activity on or off the premises.

F. Any criminal activity that resulted in felony conviction of a household member; or

G. Any lease termination due to the occupancy of a person subject to a sex offender lifetime registration requirement.

III. DEFINITIONS

A. Class Grievance: Any grievance in which the decision on an individual grievance would be, as a practical matter, dispositive of the interests of other residents.

B. Complainant: Any resident, as defined in paragraph H below, who presents to the

management office a grievance in accordance with the procedures set forth herein.

C. Drug: A controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

D. Drug Related Criminal Activity: 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.

E. Elements of Due Process: An eviction action or termination of tenancy in a state or local court in which the following procedural safeguards are required:

1. Adequate notice to the resident of the grounds for terminating the tenancy and for eviction.

2. Right of the resident to be represented by counsel.

3. Opportunity for the resident to refute the evidence presented by HABC, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the resident may have.

4. A decision based upon the facts presented at the hearing.

F. Grievance: Any dispute that a resident may have with respect to the management's (HABC) action or failure to act in accordance with the individual resident's lease or management procedures, which adversely affects the individual resident's rights, duties, welfare or status, including any dispute about the amount of rent that is charged. For the purpose of the lease and the grievance procedures, the definition of "grievance" does not include the issues set forth in Sections II.A through II.G above.

G. Premises: The building or complex or development in which a public or assisted housing dwelling unit is located, including common areas and grounds.

H. Resident: The adult person (or persons, other than a live-in aide, as defined in the lease): (1) who resides in the unit, and who executed the lease with HABC as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) who resides in the unit and is identified in the lease as a household member, and is the remaining head of household of the resident family residing in the dwelling unit.

I. Reasonable Accommodation: A modification or change in HABC's rules, policies, practices or services that will provide the opportunity to participate in HABC's programs and services and/or to meet HABC's essential requirements of tenancy made for an otherwise eligible individual with a disability.

J. 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.

IV. INFORMAL SETTLEMENT OF GRIEVANCE

As much as possible should be left to the mutual efforts of management and the resident, with both parties attempting to resolve all complaints as quickly and justly as possible. However, the resident may present a grievance for any complaint which cannot be resolved by such methods, and the following procedure will apply:

A. The resident shall, either orally or in writing, present a description of the grievance to the management office within ten (10) working days after the HABC action or failure to act, giving rise to the grievance, so that the grievance may be discussed informally and settled without a formal hearing. (The form attached as Exhibit A may be used for this purpose.)

B. The resident shall be given a receipt by management upon presentation of the grievance, stating the date of filing and the nature of his/her grievance, and a copy will be retained in the management resident file. (The receipt shall be in the form attached as Exhibit B.)

C. The asset manager, in concert with the resident, will establish a mutually agreeable date, time and place for the informal discussion of the grievance.

D. The asset manager shall mail to the resident within five (5) working days after the meeting, a summary of the informal discussion and his/her decision regarding the proposed disposition of the complaint and the specific reason therefor. The summary shall specify the procedures by which a hearing may be obtained if the resident is not satisfied with the decision. A copy of the form attached as Exhibit C shall be enclosed with the summary which is to be used by the resident to request a formal grievance hearing.

E. The resident may request a formal grievance hearing as described in Section V below.

V. PROCEDURE TO OBTAIN A HEARING

A. Request for Hearing: If the resident is not satisfied with the results of the informal discussion of grievance and desires a formal grievance hearing, the resident must submit a written request for a hearing to the management office, no later than ten (10) working days after the date resident receives the Summary of Discussion, pursuant to Section IV above. The written request shall specify:

1. The reasons for the grievance.

2. The action or relief the resident is requesting.

(The form for this purpose, Exhibit C, may be obtained from the Management Office.)

B. Prerequisite For Obtaining Formal Hearing: All grievances shall be presented either orally or in writing pursuant to the informal procedures described in Section IV above as a condition precedent to a hearing. A resident may request a waiver of this requirement. However, the resident bears the burden of establishing good cause for failing to comply with the prerequisite condition. For purposes of this section, good cause includes, but is not limited to: (a) a verifiable medical condition that prevented the resident from requesting an informal hearing; (b) a documented absence from the unit which prevented the resident from receiving a notice of adverse action; (c) a verifiable disability that prevented the resident from understanding or being aware of the adverse action that the resident disagrees with; or (d) documentation that management did not schedule an informal discussion, and such failure was not due to lack of cooperation by the resident. To request such a waiver, the resident shall follow the following procedure:

1. The resident shall complete and submit to the management office a request for a waiver, which shall be in the form attached as Exhibit D.

2. A hearing panel will be convened.

3. The resident shall appear before the hearing panel to show why he or she failed to proceed in accordance with Section IV above.

4. If the hearing panel decides the resident has shown good cause for his or her failure to proceed in accordance with Section IV above, the hearing panel may waive the requirements of Section IV.

5. The resident will be notified in writing of the decision of the hearing panel on the resident's waiver request. If the hearing panel grants such a waiver, it shall immediately set a date for a hearing on the resident's grievance, and the resident will be notified in writing of the hearing date.

Failure to request a hearing shall not constitute a waiver by the resident of his or her right thereafter to contest management's action in disposing of the complaint in an appropriate judicial proceeding.

C. Failure to Make a Timely Request for a Hearing: If the resident does not make a request for a hearing within ten (10) working days after receipt of Summary of Discussion, management's disposition of the grievance shall become final.

The resident may request a waiver of this ten (10) working days requirement. However, the resident bears the burden of establishing good cause for failing to proceed in accordance with this requirement. For purposes of this section, good cause includes, but is not limited to: (a) a verifiable medical condition that prevented the Resident from proceeding within the ten (10) working day period; (b) a documented

absence from the unit which prevented the resident from receiving the summary of the informal discussion of grievance; or (c) a verifiable disability that prevented the resident from understanding or being aware of the summary of informal discussion of grievance. To request a waiver, the resident shall follow this procedure:

1. Within thirty (30) calendar days after receipt of Summary of Discussion, the resident shall submit to the Management Office a request for waiver of this ten (10) working days requirement.

2. A hearing panel will be convened.

3. The resident shall appear before the hearing panel to show why he or she failed to proceed within the given ten (10) working days period.

4. If the hearing panel decides the resident has shown good cause for his or her failure to proceed within the ten (10) working days period, the hearing panel may waive the ten (10) working days requirement.

5. The resident will be notified in writing of the decision of the hearing panel on the resident's waiver request. If the hearing panel grants such a waiver, it shall immediately set a date for a hearing on the resident's grievance, and the resident will be notified in writing of the hearing date.

Failure to request a hearing shall not constitute a waiver by the resident of his or her right thereafter to contest management's action in disposing of the complaint in an appropriate judicial proceeding.

D. Escrow Deposit: In any grievance involving the amount of rent or any part thereof, as defined in the lease, which management claims is due under the lease, and which has not been paid, the resident shall pay to management at the time the resident files his or her request for a formal hearing under Section V. A above, an amount equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The resident shall thereafter pay the same amount of the monthly rent to the management office, and the management office shall deposit the monies in an escrow account until the complaint is resolved by decision of the hearing panel. Following this decision, any amount due the resident from the escrow deposits shall be returned in full to him or her within thirty (30) calendar days. These requirements for escrow deposit must be waived by management:

1. In the event management determines, upon request by the resident, that the resident is unable to pay the escrow deposit because of a financial hardship exemption from the minimum rent requirements in accordance with the lease, or

2. For the portion of the resident's rent attributable to the imputed welfare

income.

Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure, if failure to make payment shall not constitute a waiver of any right the resident may have to contest management's disposition of his or her grievance in an appropriate judicial proceeding.

E. Scheduling of Hearings: Upon the resident's compliance with all applicable procedures or waiver pursuant to Section V above, the asset manager shall, within five (5) working days, forward the resident's request for a grievance hearing to the hearing panel secretary. The secretary will immediately notify the members of the hearing panel of the resident's request for a formal hearing and shall promptly schedule a hearing within forty-five (45) calendar days at a time mutually convenient for the panel, the resident and management. A written notification shall be delivered by hand or by regular mail, specifying the time, the place and the procedures governing the hearing, to the hearing panel members, the resident and the appropriate management official.

VI. SELECTION OF HEARING PANEL

A. The grievance shall be presented before a permanent hearing panel consisting of five (5) voting persons and a secretary who will be provided by management.

B. The Policy Committee of the Resident Advisory Board (RAB) will select two (2) permanent panel members; management will select two (2) panel members for each grievance hearing; and one impartial member will be selected on a rotating basis from a list of names previously compiled by agreement between management and the Policy Committee of RAB. No one on the list may be an officer, employee or resident of HABC.

C. The Policy Committee of RAB will select two (2) alternate panel members, who will serve on the panel if a permanent RAB member cannot be contacted, is unable to attend the hearing or is unable to serve.

D. No relatives of the resident shall serve on the hearing panel.

E. No person from the resident's development shall serve on the hearing panel.

F. No person whose duties or responsibilities are involved in any way with the grievance at issue shall serve on the hearing panel.

G. The term for the permanent hearing panel members and alternates selected by RAB will be for one year, beginning January 1 of each year. If a permanent RAB member leaves before the end of his or her term, the position will be filled by an alternate and a new alternate will be selected. Members may be reappointed for subsequent terms. The list from which the impartial member is selected will also be drawn up on an

annual basis, effective January 1 of each year.

VII. PROCEDURES GOVERNING THE HEARING

A. The hearing shall be held before the hearing panel selected pursuant to Section VI above. The full panel or three members shall constitute a quorum for the hearing of a grievance if one member chosen by the Policy Committee of RAB, one member chosen by management, and the impartial member are present.

B. The impartial member shall act as moderator at the hearing. His or her responsibilities will include coordinating all activities associated with the hearing, such as calling witnesses and maintaining order, and generally ensuring that the hearing is conducted in a fair and orderly manner.

C. The resident shall be afforded a fair hearing providing the basic safeguards of due process, which shall include:

1. The opportunity to examine before the hearing any HABC documents and to copy all documents and records that management intends to rely upon at the hearing. Any document relevant to the hearing that management does not make available to resident after request by resident may not be relied on by management at the hearing. The copying of documents that management intends to use at the hearing shall be done at the expense of management. All other documents shall be copied at the expense of the resident.

2. The right to be represented by counsel or another person chosen by the resident as his or her representative, at the resident's expense.

3. The right to a private hearing (which includes only panel members, the resident, the asset manager, the hearing panel secretary, the resident's counsel or representative and witnesses) unless the resident requests a public hearing.

4. The right to present evidence and arguments in support of his or her complaint, to controvert evidence relied on by management, and to confront and cross examine all witnesses upon whose testimony or information management relies.

5. The right to a decision based solely and exclusively upon the facts presented at the hearing.

6. The hearing panel shall hear each case and judge it on its own merit.

D. Management and resident shall exchange lists of witnesses that each intends to call upon at the hearing.

E. If the resident or management fails to appear at a scheduled hearing, the hearing panel may make a determination to postpone the hearing or may make a determination that the party has waived the right to a hearing. Both the resident and management shall be notified of the determination by the hearing panel, provided that a determination that the resident has waived the right to a hearing shall not constitute a waiver of any right the resident may have to contest disposition of the grievance by management in an appropriate judicial proceeding.

F. At the hearing, the resident must first make a showing of an entitlement to the relief sought and thereafter management must sustain the burden of justifying management's action or failure to act against which the complaint is directed.

G. The hearing shall be conducted informally by the hearing panel, and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. The moderator shall require management, the resident, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the moderator to obtain order may result in exclusion from the proceedings.

H. The resident or management may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

VIII. DECISION OF THE HEARING PANEL

A. The hearing panel shall prepare a written decision, together with the reasons therefor, within ten (10) working days after the hearing. A copy of this decision shall be sent to the resident, the Assistant Chief of Conventional Public Housing or the Assistant Chief of Private Management, whichever is applicable, and the appropriate management office. Management shall retain a copy of the decision in the resident's folder.

B. If the grievance is in reference to monies due to HABC, and the hearing panel rules in favor of management, a written agreement may be made between the resident and the appropriate asset manager for payment. The asset manager shall take into consideration any recommendations made by the hearing panel as to the amount and the scheduling of payments.

C. The decision of the hearing panel shall be binding on management, which shall take all action, or refrain from any action, necessary to carry out the decision unless the HABC Board of Commissioners determines within a reasonable time (30 calendar days) and promptly notifies the resident of its determination that:

1. The grievance does not concern management's action or failure to act in accordance with or involving the resident’s lease or management rules, which adversely affect the resident’s rights, duties, welfare or status.

2. The decision of the hearing panel is contrary to applicable federal, state or local law, the MTW Agreement, or HUD regulations or the requirements of the Annual Contributions Contract between HUD and HABC.

D. A decision by the hearing panel or the HABC Board of Commissioners in favor of management or which denies the relief requested by the resident in whole or in part shall not constitute a waiver of, nor affect in any manner whatsoever, any rights the resident may have to a trial or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

X. REASONABLE ACCOMMODATIONS

Upon written notification submitted by the resident of a request for a reasonable accommodation as part of an informal discussion of grievance, or a formal grievance hearing, HABC will provide reasonable and accessible accommodations for residents with qualified disabilities and communication that is as effective as that provided to individuals without disabilities. Moreover, HABC shall take appropriate steps to ensure that communications with residents with disabilities are as effective as communications with others, which may include, but not be limited to, enlarged print, a signer (sign language interpreter), audio communication, Braille, or a reader.

XI. TIME PERIODS

In computing time periods referred to in this procedure, Saturdays, Sundays and federal, state or HABC legal holidays occurring on weekdays shall not be included in determining working days.

APPENDIX J: PET POLICY

This Pet Policy, as it may be amended from time to time, shall be incorporated into and made a part of the Resident's lease.

Exclusion from Applicability

This Pet Policy does not apply to animals that assist, support, or provide service to persons with disabilities. The Management Agent shall not apply nor enforce this Pet Policy against animals that are necessary as a reasonable accommodation to assist, support, or provide service to persons with disabilities. This exclusion applies to such animals that reside at and visit the Development.

Definitions

The term **"Pet"** is defined as a domesticated small animal limited to dogs, cats, gerbils, hamsters, guinea pigs, birds, (parakeet, canary, finches, cockatoo, small parrot) and fish. **The following breeds are excluded from the definition of Pet, and shall be expressly prohibited from being kept, owned or harbored in, on or about the Premises (as that term is defined in the Lease) by any Resident or any member of the Resident's household: PIT BULLS, ROTTWEILERS, CHOW-CHOWS, BULL MASTIFFS, DOBERMAN PINSCHERS, AND ANY CROSS-BREED THEREOF, AND ANY WOLF OR PART WOLF.**

Number Limitations

No more than one domesticated Pet, and/or one 20-gallon tank of fish will be kept in a Unit. Heads of household shall be responsible for their Pet. The Resident must maintain the Pet responsibly and in accordance with applicable State and local public health, animal control, and animal anti-cruelty laws and regulations.

Size of Pet

Dogs or cats or others defined above shall weigh no more than thirty-five (35) pounds at maturity. Fish are limited to a single bowl or steel framed glass fish tank having a capacity of not more than twenty (20) gallons. Birds can be no larger than one (1) pound.

Resident's Health

A Pet owner must be physically and mentally capable of taking care of the Pet.

Security Deposit

A refundable Pet security deposit of fifty dollars ($50.00) shall be required for each Pet. The Pet security deposit can be paid over a three (3) month consecutive period and will be held in the manner required for applicable security deposits under Maryland law. THE PET SECURITY DEPOSIT WILL BE RETURNED WITHIN 45 DAYS OF MOVE-OUT OR IF A PET IS

REMOVED BEFORE RESIDENT MOVES FROM THE DWELLING UNIT, WITHIN 45 DAYS OF PET REMOVAL.

Move-Out

Upon move-out or Pet removal the cost to de-flea, deodorize, and clean the carpet and/or floor tile will be deducted from the Pet security deposit if deemed necessary by Management. The Dwelling Unit will be inspected, and the remainder of the Pet security deposit will be refunded, if the Dwelling Unit is free of damage. The move-out inspection will be performed by the Resident and Management.

Hold Harmless

The Management Agent shall not be responsible for any actions or injuries, or damages caused by the Resident's Pet. A Pet is the sole responsibility of the Resident.

Vaccinations

Every Pet, if required by law, must wear a current City Animal license and be vaccinated. Resident must submit registration papers to the Management Office. A copy of the Pet's (dog or cat) current inoculation and treatment is to be furnished and verified annually by a licensed veterinarian which must indicate dates of most recent shots and treatment against disease and parasites as follows:

- Dogs – rabies, parvo virus, para influenza, distemper, hepatitis, leptospirosis (D.H.L.), hookworm, heartworm, roundworm, tapeworm, and other internal and other parasites, fleas, ticks and other external parasites and other diseases of the skin including eczemas.

- Cats – rabies, rhinotracheitis, Calice virus, pneumonitis, tapeworms, hookworms, heartworms, and other internal parasites, fleas, lice, ticks and other external parasites.

Female cats and dogs over six months of age must be spayed and males over eight months must be neutered, unless a licensed veterinarian gives medical reasons why such is detrimental to the Pet's health.

Housekeeping

The Unit must be kept free of odors and maintained in a clean and sanitary condition. Cats must be litter box trained and dogs must be able to exercise outside the Dwelling Unit. Litter boxes must be changed a minimum of once a week and scooped once a day. Kitty litter is to be bagged securely in a heavy plastic trash bag, tied, and disposed of in an approved trash receptacle.

- Birds must be maintained in a cage and never allowed to fly free within the Dwelling Unit.

- Dog and cat bedding and the Dwelling Unit are to be kept free of and treated regularly on an ongoing basis against infestations by fleas, ticks, lice, pet worms, mites, and other parasites. If infestation of any such parasites or vermin occur which shall be determined by Management to have occurred due to inattentive care by the Pet owner, and/or if such

infestation shall spread to other Dwelling Units, Management shall have the right to eradicate in all affected areas at Pets owner's expense.

- Pet owners must control excessive noise and odor caused by their Pets.

Pet Control in Public Area

Pets must be on a leash outside of the Dwelling Unit and in all public areas. Under no circumstances may any Pet of any kind be taken into, or permitted to be in, the recreation/community rooms, or any other "common" room.

Waste Control

Pet owners shall be responsible for immediate clean-up of Pet feces in accordance with applicable law. Resident must ensure that their yard is kept clear of Pet feces. Resident will not place any animal fecal waste, kitty litter, etc., or other articles in the sinks, plumbing fixtures or on the grounds. Residents must place all Pet waste in a heavy plastic trash bag, tied and disposed of in an approved trash receptacle. If a toilet must be unclogged or a sink unstopped because of animal waste, kitty litter, and/or stones from a fishbowl, the Resident will pay all associated cost.

Nuisance

If, in the judgement of Management, any Pet becomes a threat to the safety and comfort or quiet enjoyment of the Premises to any other Resident, employee, or visitor to the Premises, or if such Pet causes substantial damage to any part of the building or grounds or the furnishings and fixtures thereof, then, upon the written request of Management, such Pet shall be permanently removed from the Premises by the Pet's owner within five (5) days.
If the Resident files a grievance the Pet shall be allowed to remain until the grievance process is exhausted. In the case of a Pet biting a person, the Pet must be immediately removed to an area for surveillance for a period designated by a Health Officer and must then be examined by a licensed Veterinarian. Animal bites must also be reported to the local Health Department and/or the Police. A bite victim or parent of a child bitten by an animal can swear out a complaint against the owner of the Pet at the nearest district court. Refusal by the Pet owner to abide by Management Agent's request for a pet's removal may result in termination of residency.

Complaints/Problems

All complaints about Pets will not be considered valid (or heard) unless they are in writing, dated and signed by the person(s) making the complaint. Management Agent will review complaints and/or problems concerning a Pet/Pet owner. Management Agent will notify in writing the Pet owner of the complaint and the Resident will have 24 hours to answer the complaint. Two or more legitimate complaints will mean the Pet must be removed unless the Pet owner initiates a grievance procedure. Failure to comply may result in termination of residency

Resident's Absence

No dog or cat shall be left alone in any Unit over twenty-four (24) hours. Any Resident who is away twenty-four (24) hours or longer for any reason must plan for such Pet to be kept elsewhere during his/her absence.

Responsibility for Pet in an Emergency

The Pet owner shall file with the Management an affidavit of agreement signed by one (1) person who is not a Resident of the Unit who will assume immediate responsibility for the Pet in case of an emergency or in case the Pet owner becomes unable to provide proper care for the Pet. In addition, the Pet owner shall file with Management Agent an affidavit authorizing Management Agent to have the Pet removed if the Pet owner cannot care for the Pet and the responsible party cannot be reached. Management Agent will contact the SPCA or an appropriate authority for removal of the Pet in such event.

Fire Emergency

When a fire alarm or smoke detector sounds, Pets are to be placed in the bathroom and the door is to be closed. If evacuation is necessary the fire department will be responsible for the evacuation of Residents first, and then the Pet.

Subsequent Agreements

If a Resident has an approved Pet and that Pet is disposed of, the Resident must notify Management Agent. The Resident and Management Agent will perform an inspection of the apartment. The Pet security deposit will be used towards any damages and the balance, if any, of the Pet security deposit will be returned to the Resident within 45 days. If the Resident determines they want a new Pet, the Pet must be registered with the Management Office and a new Pet security deposit must be collected in accordance with the Pet Policy.

Additional Details

All Residents, whether desiring a Pet or not, must sign the Pet Policy, thereby acknowledging agreement and acceptance of the Pet Policy. Those Residents desiring a Pet will have to meet all requirements listed in Pet Policy and sign the **"Application for Pets"** including Section 3 which includes the "Co-Responsibility" section for a non-Resident friend or relative to sign.

The Management Agent reserves the right to rescind or change any of the foregoing rules to make such rules and regulations as may be deemed necessary for the safety, care and cleanliness of the Premises, and for the security, comfort and convenience of all Residents. Any changes deemed necessary by the Management Agent will be made in compliance with the Lease.

This Pet Policy is made a part of the HABC Dwelling Lease and any violation of the terms and conditions contained herein, will be considered a breach of the Lease. If any Court declares a particular provision of this Pet Policy to be invalid or illegal, all other terms of this Pet Policy will remain in effect, and both the Management Agent and the Resident will continue to be bound by all valid, legitimate terms of the Pet Policy.

APPENDIX K: LONG TERM AFFORDABLE CRITERIA

The Long Term Affordable Criteria will be revised to make the language consistent with the ACOP changes and in accordance with HOTMA requirements.

This document sets forth the admissions and leasing criteria for long term affordable ("**LTA**") units, applicable to applicants for and residents of LTA units. The Owner and Management Agent shall not change the criteria set forth in this document without approval from the Housing Authority of Baltimore City ("**HABC**").

1.DEFINITIONS

(a)Applicant – shall mean a household on HABC's waiting list for public housing.

(b) **"Bailey Consent Decree" refers to the Consent Decree,** as amended or modified, entered in *Bailey v. Housing Authority of Baltimore City*, JFM 02-CV-225; JFM-04-CV-03107.

(c) **"ACOP"** refers to the Housing Authority of Baltimore City's Admissions & Continued Occupancy Policy for Public Housing.

(d) **"Family"** is defined as including, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

(1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
(2) A group of persons residing together, and such group includes, but is not limited to:
(i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family).
(ii) An elderly family.
(iii) A near elderly family.
(iv) A disabled family.
(v) A displaced family; and
(vi) The remaining member of a tenant family.

(e) DELETED.

(f) "**Long Term Affordable units**" or "**LTA units**" shall mean those units that are reserved and leased upon initial occupancy for residents of _____, and individuals from HABC's public housing and/or transfer waiting lists. These units shall remain affordable for a period of 40 years consistent with requirements under the Bailey Consent Decree The LTA units for non-elderly persons with disabilities ("NED") shall be reserved exclusively for NEDs for a period of 15 years. The applicants and tenants in these units have any and all rights, privileges and benefits that are provided to HABC's public housing residents or

applicants and such tenants shall pay no more than 30% of their monthly adjusted income in rent as participants in the Housing Choice Voucher Program. Notwithstanding the above, no minimum income is required. NED and UFAS LTA units must be operated and maintained in accordance with the terms stated herein.

(g) **"Management Agent"** means the company engaged to manage and operate the development on behalf of the owner.

(h) "**Non-elderly person with disabilities**" or "**NED**" shall mean a family whose sole member, head of household, or head of household's spouse is a person with a disability who is under age sixty-two (62), and which is eligible for a one-bedroom public housing unit or for a two-bedroom public housing unit because a second bedroom is needed for disability-related reasons; and who is on HABC's waiting list.

(i) "**Owner**" refers to the entity with ownership interest in the housing development, which is responsible for ensuring the Management Agent complies with the admissions and leasing requirements for the LTA units.

(j)"Resident" shall mean a household who leases an LTA unit under these criteria.

(k) DELETED.

(l) "**UFAS unit**" shall mean a unit containing accessible features and certified by an architect designated by HABC as compliant with Uniform Federal Accessibility Standards (UFAS).

(m) **"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. 24 C.F.R. §5.100.

2. DELETED.

3. SECURITY DEPOSIT; APPLICATION OR OTHER FEES

The amount of the security deposit will be equal to one month's rent, or Fifty Dollars ($50.00), whichever is lower. The Agent will establish a payment plan for payment of the security deposit in the event of a documented hardship situation.

Applicants will not be charged an application fee. Additionally, Applicants will not be charged any fee for credit or criminal background checks.

4. SCREENING CRITERIA

(a)Applicants may be screened for credit and criminal background according to the detailed screening process set forth in Section 4.1 below. Lack of credit history will not be sufficient justification for rejection of an Applicant**.**

4.1.Detailed Screening Process For New Applicants

(a)Credit and criminal background reports may be evaluated through a third-party screening company.
(b)Rental history may be verified up to the past three years.
(c) Applicants may be rejected for any of the following reasons: Agent or other acceptable references indicates a history of lease violations, including but not limited to repeated judgments for failure to pay rent, chronic late rental payments (more than four (4) late rental payments within a twelve (12) month period), prior eviction(s), history of public disturbances, damage to living unit or property of others, physical and/or verbal attacks on others, history of poor or unsatisfactory housekeeping as defined by the House Rules developed for O'Donnell Heights or any other behavior that would have a substantial adverse impact upon the health, safety or peaceful enjoyment of the Development by other Residents, members of the community or Agent personnel.

4.1.1. Credit Screening Criteria

(a) Credit Information.

Applicants may be denied eligibility if they have a history of not meeting past financial obligations as demonstrated by the following:

- More than four (4) late rental payments within a twelve (12) month period only if the Applicant leased a dwelling unit that received continuous direct rental assistance subsidy that provided for the Applicant to pay no more than thirty percent (30%) of his or her income during the Applicant's tenancy.
- No unsatisfied collections, charge-offs, or judgments in the past 24 months totaling more than $3,000 in the aggregate.

Notwithstanding evidence of difficulty meeting past financial obligations, Applicants will be favorably considered if their poor payment history relates to:

- Medical debts
- Student loans

Applicants will not be denied eligibility solely based on bankruptcy.

Other credit issues such as collections, charge-offs, judgments, or liens will be reviewed in light of all the circumstances including evidence of the Applicant's limited disability benefits, prior lack of subsidized housing, illness or loss of Spouse, loss of primary support, etc. Such review may result in a favorable consideration for Applicant despite such credit issues. The housing application shall inform applicants that they can provide information about or to explain the circumstances for their poor credit history.

(b)Pre-Denial Review

The Management Agent shall provide Applicants the opportunity to discuss reasons for a poor credit history, mitigating circumstances or requests for reasonable accommodations

prior to the Owner/Agent making a determination to deny the applicant. Said pre-denial review will not replace or remove the informal hearing process set forth in 10.1 below. Examples of extenuating circumstances that should result in a favorable review by the Owner/Agent include (but are not limited to):

- Applicants whose form of income is from Supplemental Security Income (SSI) or similar form of disability payment.
- Applicants whose previous housing payment was substantially disproportionate to the tenant portion of rent for which he or she will be responsible in the LTA Unit.
- Applicants with a documented / disclosed hardship that is not likely to repeat.

4.1.2. Criminal Screening

(a) General.

1. Denial of Eligibility. Applicants will be denied eligibility for admission for any of the following reasons:

    - Any household member who has been convicted of drug-related criminal activity in connection with the manufacture or production of methamphetamine. This results in a lifetime ban from assisted housing.

    - Any household member who has been evicted for drug-related criminal activity within the prior 3 years.

    - Any household member is subject to a lifetime registration requirement under a State sex offender registration program.

2. Applicants may be denied eligibility for admission based upon the following:

    - Public records, landlord references or criminal background checks indicate there is reasonable cause to believe that the Applicant and/or other household members have a history of violent criminal activity, violent behavior or alcohol or drug abuse that would threaten the health, safety, or right to peaceful enjoyment of the premises by other tenants.

    - Public records or criminal background checks indicate Applicant/or household member has been convicted of a drug-related offense, Violent Criminal Activity, or felony offense.

"Alcohol or drug abuse" means, including but not limited to:

•Evidence of a history or pattern of illegal substance abuse that the individual has, within the past three years, engaged in to justify a reasonable belief that the individual's behavior is current.
"Violent criminal activity" means, including but 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 indicating an intent to assault employees or other tenants.

3. Pending charges for any crime (not just those listed below) may be considered a cause for temporary denial of eligibility for admission. If the Applicant is temporarily denied admission because of the existence of a pending charge, the Applicant will maintain a priority order for occupancy of a Unit until disposition of the pending charge, either favorably (in which case the application process can continue) or unfavorably (in which case the Applicant will be considered against the criminal screening guidelines set herein).

(b)<u>Specific Felony Crimes</u>

The following felonies may subject new Applicants to a maximum seven (7) year exclusion period. The exclusion period is calculated from the date of conviction or release from incarceration, whichever is later. If Management Agent chooses to utilize the maximum seven (7) year exclusion period to deny a new Applicant, the applicant shall be notified that they may contact the TC for assistance with appealing the decision of the Management Agent in application of the 7 year exclusion period.

1. Felony Child Abuse
2. Sexual Abuse of a Minor except when crime results in conviction as a sex offender subject to a lifetime registration requirement, who, in such case, is prohibited from federally assisted housing.
3. Felony Arson
4. Malicious Burning of Personal Property (First degree)
5. Burning with Intent to Defraud
6. Felony Assault Attempted Poisoning
7. Manufacture, Distribution or Possession with the Intent to Distribute of CDS (Controlled Dangerous Substances)
8. Damage to Associated Building when Charged as a Felony
9. Murder (all forms)
10. Attempted Murder (all forms)
11. Voluntary Manslaughter (all forms)
12. Homicide (all forms)

13. Kidnapping
14. Child Kidnapping
15. Abduction of Child Under 16
16. Robbery
17. Robbery with a Dangerous Weapon
18. Carjacking
19. Felony Sexual Crimes, except when crime results in conviction as a sex offender subject to a lifetime registration requirement, who, in such case, is prohibited from federally assisted housing.
20. Weapons Crimes - Felonies
21. Use of a Machine Gun in a Crime of Violence
22. Use of a Machine Gun for Aggressive Purposes
23. Manufacture or Possession of a Destructive Device

(c)Other Felony Crimes

Denial of eligibility for admission based upon all other types of felony crimes may subject Applicants to a maximum three (3) year exclusion period beginning on the date of conviction or the release from incarceration, whichever date is later.

(d)Misdemeanor Crimes

Denial of eligibility for admission based upon misdemeanor convictions may subject applicants to a maximum eighteen (18) month exclusion period beginning on the date of conviction or the release from incarceration, whichever date is later.

(e)Confidentiality of Criminal Records

Any criminal record received must be maintained confidentially, not misused or improperly disseminated.

(f)Disclosure of Criminal Records to Family

Before taking any adverse action based on a criminal conviction record, the applicant and subject of record will be provided with a copy of the criminal record and an opportunity to dispute the record at an informal hearing.

4.1.3.Other Reasons to Deny Eligibility

In addition to the credit and criminal background screening criteria above, Applicants may be rejected only for any of the following reasons:

- Applicant fails to respond to a request for verification of information or for additional information within ten (10) working days of the written request from the Agent.

- Applicant makes any materially false statement or omission on the application and/or during an application interview with the intention of misleading the Owner /Agent.

- Applicant's household size is incompatible with the Owner/Agent's occupancy standards and/or unit availability. Provided, however, that an Applicant who has a verifiable need for a live-in aide may not be denied admission on the grounds that the addition of a live-in aide violates the Owner/Agent's occupancy standards.

4.1.4. Prohibited Criteria for Denial of Eligibility

An Applicant cannot be rejected because he or she:

- Has no income.
- Is not employed.
- Does not participate in a job-training program.
- Will not apply for various welfare or benefit programs.
- Has children, except in the case of an Applicant for a NED unit whose household members include one or more children.
- Is receiving welfare benefits.
- Has children born out of wedlock.
- Is a student, unless otherwise prohibited by financing for the Development.

4.2. Mitigating Circumstances

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

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. To be factored into the screening assessment of the applicant, mitigating circumstances must be verifiable.

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

4.2.1. Mitigating Circumstances

Examples of mitigating circumstances include:

- Evidence of successful rehabilitation.
- Evidence of the Applicant family's participation in and completion of social service or other appropriate counseling service.
- Evidence of successful and sustained modification of previous disqualifying behavior.

Consideration of mitigating circumstances does not guarantee that the Applicant will qualify for admission. Such circumstances will be considered in light of:

- The applicant's ability to substantiate through verification the claim of mitigating circumstances and his/her prospects for improved future behavior; and
- The applicant's overall performance with respect to all the screening requirements.
- However, if mitigating circumstances are found the applicant will keep his place on the waiting list and will be housed in the unit which was offered if that unit is still available and if it is not will be housed when the next appropriately sized unit becomes available.

4.3. Citizenship/Eligible Immigrant Status

To receive assistance, a family member must be a U.S. citizen or an eligible immigrant. Eligible immigrants are persons who are in one of the categories established by HUD. Assistance to the family may not be delayed, denied, or terminated based on immigration status at any time prior to receipt of the decision from an appeal to the Immigration and Naturalization Service.

5. OCCUPANCY GUIDELINES

5.1. General. These occupancy guidelines will be followed by HABC and the Owner to ensure that families occupy units of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or under-utilization.

5.2. Determining Unit Size.

(a) The Owner does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom. Standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines and shall be implemented by HABC and referred to Owner.

(b) For occupancy standards, an adult is a person who is at least 18 years of age or older, an emancipated minor, or in a legally recognized marriage as under the laws of the State of Maryland or a marriage recognized by the State of Maryland. All guidelines in this section relate to the number of bedrooms in the unit.

(c) Owner will assign a unit within the following guidelines:

(i) Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under five years old).

(ii) Live-in aides will generally be provided a separate bedroom for their occupancy only. The Owner is not obligated to nor will it house the family members of a live-in aide.

(iii) Space may be provided for a child who is away at school but who lives with the family during school recesses.

(iv) Space will not be provided for a family member who will be absent most of the time except for family members who have been called to active duty. In the case of a family member in active duty, the family composition will include the member who is away from the unit for such purpose, even if the active duty family member is absent from the unit for more than six months. After one (1) year the Owner may reevaluate the situation and take appropriate action.

(v) Single person families shall be allocated a zero- or one-bedroom unit. The living room should not be used as a bedroom except for purposes of a reasonable accommodation**.**

Bedroom Size	Persons in Household:	Persons in Household:
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8

5.3.Exceptions To Occupancy Standards.

The Owner or HABC, as applicable, will grant an exception to the occupancy standards upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified by a licensed medical professional or social worker. A reasonable accommodation for a larger unit may be granted for example when a person with a disability needs space for medical equipment, and such need is appropriately verified.

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

An exception will be granted if the family has submitted an "Appointment of

Temporary Guardian" to the Owner. If this form has been submitted, the Owner will also require that the family have initiated legal proceedings for guardianship or legal custody.

- All members of the family residing in the unit must be approved by the Owner. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the Owner within 30 days.

- To avoid vacancies, the Owner may provide a family with a larger unit than the occupancy standards permit subject to the approval of the HABC. The family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is a suitable smaller unit available. This requirement shall be included in the lease.

5.4.Accessible Units. Units designed and constructed to meet the needs of persons with mobility disabilities will be first offered to households with a family member who needs the accessible features of the unit. Accessible units will be offered to households who do not need the accessible features of the unit only after the Owner determined with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

6. AMOUNT OF RENT

Owner will conduct initial income verifications, re-certifications of income and interim certifications, as well as income verifications upon turnover.

6.1. Total Tenant Payment

The Total Tenant Payment is the greater of:
- 30% of the adjusted monthly income
- 10% of the monthly income
- The minimum rent as established by the HABC

The Total Tenant Payment does not include charges for excess utility consumption or other charges.

If a minimum rent is established the resident will be required to pay at least the amount established as the minimum rent, unless Management Agent grants an exemption from the due to financial hardship.

6.2 Rent Determination.

The amount of rent and family size or composition will be set forth in the lease or, if there are changes, in a lease supplement, which will be delivered to the resident. The amount of

monthly rent and the family composition will remain in effect for the period between annual re-certifications, unless during such period:

(a) Resident can show a change in Resident's circumstances that would justify a reduction in rent by submitting a signed statement and other documentation, setting forth the facts as to the family composition, employment and family income. Such circumstances include, but are not limited to, the following: (1) Divorce; (2) Marriage; (3) Separation; (4) Death; (5) Retirement; (6) Unemployment; (7) Strike; (8) Layoff; (9) Sick Leave; (10) Disability; (11) Entry into or discharge from military service; (12) Birth; and (13) Change of job or other reduced income.

(b) Resident can show a decrease in income which is believed to be temporary in nature.

(c) Resident can show that the income on the basis of which the rent was calculated has terminated. Resident shall report this information to the Owner/Agent together with any information concerning other sources of income which have become available to family members since the last rent determination. The rent will then be redetermined based on the information which is provided, but in no case will the rent be increased, beyond the original rent, until the next Annual Review.

6.2.2 Reporting a Change in Income Resident shall report any change in income described in Paragraphs (a), (b), and (c) above within thirty (30) days of its occurrence. Any decrease in rent resulting from the change will take effect on the first of the month following the month in which the change occurred.

6.3. Minimum Income.
Resident is not required to have any minimum income.

6.4.Determining and Calculating Income

6.4.1.Generally the final calculation for each income or deduction source will be rounded to the nearest dollar, unless documentation from the income source provides otherwise.

6.4.2.
(a)"Income" is defined as the anticipated total income from all sources for purposes of calculating the TTP. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12-month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or income that is specifically excluded by other federal statute.

(b)"Annual income" is the amount of income prior to any allowable expenses or deductions

and does not include income that has been excluded by other provisions in this policy. Annual income is used to determine whether or not applicants are within the applicable income limits. “Adjusted Income” is defined as the Annual Income minus any allowable deductions.

6.4.3. Mandatory Deductions.

The HUD mandatory deductions from Annual Income must be applied when calculating income for program eligibility and determination of rent. The mandatory deductions are as follows:

(a) Dependent allowance: $480 each for family members (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
(b) "Elderly" allowance: $400 per household for families whose head or spouse is 62 or over or disabled.
(c) Allowable medical expenses for all family members are deducted for elderly and disabled families. Medical deductions will only be allowed to the extent that the sum exceeds three percent of the annual income.
(d) Childcare expenses for children under 13 are deducted when childcare is necessary to allow an adult family member to work, actively seek work, or attend school (including vocational training).
(e) Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

6.4.4. Training Income Exclusions**.**

Income from certain training programs will be excluded from calculating income for program eligibility and determining the amount of rent. A training program is defined as one with goals and objectives designed to lead to a higher level of proficiency, and one, which enhances the individual’s ability to obtain employment. The training program may have performance standards to measure proficiency. Training may include but is not limited to: (a) classroom training in a specific occupational skill; (b) on-the-job training with wages subsidized by the program; or (c) basic education.

The exclusions are as follows:

(a) Exclusion of amounts received under training programs funded by HUD
(b) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program. Exclusion of amounts received from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment-training program.

6.4.4.1. For this purpose, Annual Income does not include incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs.

6.4.4.2. All other amounts (such as child support and alimony) are treated in the usual manner in determining annual income. Child support, or other income that is not earnings or benefits, is not a factor and will not be considered in regard to training income exclusions, regardless of whether they have increased or decreased.

6.4.1.3. Any member of the resident's family is eligible for the exclusion, provided the individual is enrolled in the qualifying employment-training program. If a family has members who enroll in training programs at different times, the exclusion may be taken at different periods. The rules will be applied individually to each member based on which type of program they are enrolled in.

6.4.4.4. Upon verification, residents who are actively enrolled in a qualifying training program will have the incremental income from the training program excluded from their annual income.

6.4.4.5.A resident who has substantially completed a training program in order to accept a job offer will be eligible for the 18-month exclusion of income. "Substantial completion" of a training program will be completion of 75% of the program. If a resident has completed that portion of the training program necessary to get a job and continues simultaneously with the training program, the 18-month exclusion period will begin on the date the resident started the new job, not the date they complete the training program. The resident is not required to get a job that is directly related to the training program to be eligible for the exclusion.

6.4.4.6. For self-employed residents, only the net income of the resident will be excluded when factoring the earnings.

6.4.4.7. The Resident is required to notify the HABC within 10 working days of enrolling in a qualifying training program.

6.4.4.8. Residents who have a decrease in income as a result of enrolling in a training program may request an interim examination. In the event the interim examination results in a decrease in incremental income as a result of the training program, the resident's rent will be adjusted accordingly.

6.4.4.9. All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a Resident Services training program, which is funded by HUD, is excluded.

6.4.5. Averaging Income. When Annual Income cannot be anticipated for a full twelve

months, the HABC will annualize current income and conduct an interim reexamination if income changes. If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used. Income from the previous year may be analyzed to determine the amount to anticipate when third-party or check-stub verification is not available. If by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so that the housing payment will not change from month to month. The method used depends on the regularity, source and type of income.

6.4.6.Income Of Person Permanently Confined To or Released from Nursing Home. If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, HABC will conduct an interim reexamination, exclude the income and medical expenses of the family member permanently confined to a hospital or nursing home and re-calculate the Total Tenant Payment. If a family member leases an LTA Unit upon release from a nursing home, rehabilitation center or other healthcare or assisted living facility, and verifies a reduced SSI or OASI income from social security, HABC will annualize the current income and conduct an interim reexamination within 90 days of the date of admission. If within the 90 days, the resident experiences an increase in income by the Social Security Administration, HABC will process an increase in rent between the regularly scheduled re-certifications.

6.4.7.Income Of New Family Members Added to the Lease. HABC will process an increase in rent between regularly scheduled re-certifications when the household size increases due to the addition of an adult household member approved by the Management Agent. Requests for the addition of a new member of the household must be approved by the Management Agent and HABC, prior to the actual move-in by the proposed new member.

6.4.8.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 every 2 months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than $600.00 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. If the family's expenses exceed their known income, HABC will make inquiry of the family about contributions and gifts.

6.4.9.Alimony And Child Support Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, the HABC must use the amount awarded by the court unless the family can verify that they are not receiving the full amount. HABC will accept as verification that the family is receiving an amount less than the award if HABC receives verification from the agency responsible for enforcement or collection. It is the family's responsibility to supply a certified copy of the divorce decree.

6.4.10.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 (unemployment or welfare assistance) are counted as income. Lump sum payments from Social Security or SSI 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 amount of retroactive tenant rent that the family owes as a result of the lump sum receipt the HABC will always calculate retroactively to date of receipt the lump-sum payment was received, or to the date of admission, whichever is closer. 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 fees.

6.4.11. Retroactive Payments. In the event the calculation of income results in the family owing a retroactive payment, the family should make the payment in a lump sum. The Management Agent, at its option, may enter into a Repayment Agreement with the family. The amount owed by the family is a collectible debt even if the family becomes unassisted.

6.4.12. Contributions To Retirement Funds – Assets. Contributions to company retirement/pension funds are handled as follows:

(a) While an individual is employed, only the amounts the family can withdraw without retiring or terminating employment will be counted as income.
(b) After retirement or termination of employment, any amount the employee elects to receive as a lump sum will be counted as income.

6.4.13. Assets Disposed Of For Less Than Fair Market Value. The HABC must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HABC will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included 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. If the total value of assets disposed of within the two-year period is less than $5,000.00, they will not be considered an asset.

6.4.14. Child Care Expenses. Un-reimbursed childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training. In the case of a child attending private school, only before or after-hours care can be counted as childcare expenses. If a tenant is eligible for the earned income disallowance, the amount of deduction for childcare expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare

expense deduction. Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in the Development's jurisdiction. Allowing deductions for childcare expenses is based on the following guidelines:

(a) Childcare to work: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
(b) Amount of Expense: The HABC will survey the local care providers in the community to determine what is reasonable. The HABC will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the HABC may calculate the allowance using the guideline.

6.4.15. 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 to assist in that determination. Nonprescription medicines, unless prescribed by a licensed medical professional, will not be considered a medical expense. Chiropractic services will be considered allowable medical expenses.

6.4.16. Proration Of Assistance For "Mixed" Families. Proration 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. Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

6.4.17. Prorated TTP Calculation for Mixed Families. Prorated assistance will be calculated by subtracting the Total Tenant Payment from the applicable Maximum Rent for the unit the family occupies to determine the Family Maximum Subsidy. The family's TTP will be calculated by:

(a) dividing the family maximum subsidy by the number of persons in the family to determine member maximum subsidy.
(b) multiplying the member maximum subsidy by the number of eligible family members to determine eligible subsidy.
(c) subtracting the amount of eligible subsidy from the applicable maximum rent for the unit the family occupies to get the family's revised total tenant payment.

6.4.18. Income Changes Resulting From Welfare Program Requirements. Owner will not reduce rent for families whose welfare assistance is reduced specifically because of:

(a) fraud; or
(b) failure to participate in an economic self-sufficiency program; or
(c) noncompliance with a work activities requirement.

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

(x) the expiration of a lifetime time limit on receiving benefits; or

(y) a situation where a family member has complied with the welfare agency's economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or
(z) a situation where a family member has not complied with other welfare agency requirements.

6.4.18.1. 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.

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

6.4.19. Utilities. No applicant can be admitted nor tenant transferred to a development with resident-paid utilities unless he or she can obtain utility service. The Resident is responsible for establishing an account directly with the utility provider and paying for those individually metered utilities. The Resident's rent must be reduced by the amount of the established utility allowance. If the Resident's actual utility bill(s) exceeds the utility allowance, Resident must pay the full amount of the bill to the utility supplier. If Resident pays a flat rent, Resident is not entitled to a utility reimbursement. Failure of Resident to retain and maintain utility service is grounds for termination under the Lease.

6.5. **Verification of Income.**

Owner shall verify income and other information pertaining to the Resident's household in accordance with the methods set forth in this section 6.5.

A third-party source should first be used to verify employment, unemployment and social security benefits.

6.5.1. Employment Income. Verification forms should be used to request that the employer specify the:

(a) Dates of employment
(b) Amount and frequency of pay
(c) Date of the last pay increase
(d) Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
(e) Estimated income from overtime, tips, bonus pay expected during next 12 months

6.5.1.1. Acceptable forms of verification include:

(a) EIV information obtained from

(b)Employment verification form completed by the employer.

(c)Check stubs or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.

(d)W-2 forms plus income tax return forms.

(e) Self-certification or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

(f) State Wage Information Collection Agency (SWICA) means the State agency, receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information

(g) In cases where there are questions about the validity of information provided by the family, the Management Agent will require the most recent federal income tax statements.

6.5.2. Social Security, Pensions, Supplemental Security Income (SSI), Disability Income.

Acceptable methods of verification include:

(a) Benefit verification form completed by agency providing the benefits
(b) Computer report electronically obtained or in hard copy.
(c) Award or benefit notification letters prepared and signed by the providing agency.

6.5.3.Unemployment Compensation.

Acceptable methods of verification include:

(a) Computer report electronically obtained or in hard copy, stating payment dates and amounts
(b) Verification form completed by the unemployment compensation agency.
(c) Payment Stubs

6.5.4.Welfare Payments or General Assistance.

Acceptable methods of verification include:

(a)Verification form completed by payment provider.

(b) 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.

(c) Computer-generated Notice of Action.

6.5.5.Alimony or Child Support Payments.

Acceptable methods of verification include:

(a) Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

(b) A notarized letter from the person paying the support.
(c) Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
(d) 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.

6.5.6. Net Income from a Business. In order to verify the net income from a business, the Management Agent will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include:

(a) IRS Form 1040, including:
    i. Schedule C (Small Business)
    ii. Schedule E (Rental Property Income)
    iii. Schedule F (Farm Income)
(b) Audited or unaudited financial statement(s) of the business.
(c) Credit report or loan application.
(d) Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

(e) Family's notarized statement as to net income realized from the business during previous years.

6.5.7 Child Care Business. If a Resident is operating a licensed day care business, income will be verified in the same manner as with any other business. If the family has filed a tax return, the family will be required to provide it. HABC will conduct interim reevaluations every 60 days and require the Resident to provide a log with the information about customers and income.

6.5.8. Recurring Gifts. The family must furnish a notarized statement that contains the following information:

(a) The person who provides the gifts;
(b) The value of the gifts;
(c) The regularity (dates) of the gifts;
(d) The purpose of the gifts.

6.5.9. Zero Income Status. Each adult (18 years of age or older) household member claiming to have no income will be required to execute forms to allow HABC to verify that the household is not receiving any income such as unemployment benefits, SSI, or the like.

6.5.10. Full-Time Student Status. Only the first $480 of the earned income of full-time students 18 years of age or older, other than head or spouse, will be counted towards family income. Financial aid, scholarships and grants received by full time students are not counted towards family income. Verification of full-time student status includes:

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

The admission of Full-Time Students shall be governed by Section 42 of the Internal Revenue Code and the parties acknowledge that the Owner may deny a unit to a full-time student in the event that it would cause the Owner to fail to conform with Low Income Housing Tax Credit Requirements or would cause the Project's eligible fraction for tax credit purposes to fall below 100%.

6.5.11.Verification of Income Exclusions. HABC will attempt third party verification of income exclusions wherever possible. When third party verification of income exclusions are not possible or practical, a review of documents or notarized self-certification will be obtained.

6.5.12. Income From Assets. Residents will be allowed to self-certify the value of family's assets totaling $5000 and less.

6.5.12.1.Savings Account Interest Income and Dividends. Verification will be done using the following:

(a)Account statements, passbooks, certificates of deposit, or HABC verification forms completed by the financial institution.

(b) 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.

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

6.5.12.2.Interest Income from Mortgages or Similar Arrangements. Verification will be done using the following:

(a) 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.)
(b) Amortization schedule showing interest for the 12 months following the effective date of the certification or reexamination.

6.5.12.3. Net Rental Income from Property Owned by Family. Verification will be done using the following:

(a) IRS Form 1040 with Schedule E (Rental Income).

(b) Copies of latest rent receipts, leases, or other documentation of rent amounts.
(c) 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.
(d) Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized.

7.GUESTS

Resident is permitted to have a guest in the unit for no more than fourteen calendar days during a twelve-month period. The term "guest" means a person temporarily staying in the LTA Unit with the consent of Resident or other member of the household who has express or implied authority to so consent on behalf of the Resident. A household member who is absent from the unit because he or she (a) is attending college, (b) is on military duty, or (c) is under a joint custody arrangement will not considered a guest when he or she stays in the unit. Management may waive/extend the two-week period of time solely at its own discretion, as circumstances warrant.

8.ABSENCE FROM THE UNIT FOR MEDICAL REASONS

If any family member leaves the household to enter a facility such as a hospital, nursing home or rehabilitation center, the Owner/Agent will seek advice from a reliable qualified source as to the likelihood and timing of the family member's return to the unit. If the Owner/Agent verifies that the family member will be living in a nursing home and not likely to return to the unit, the family member will be considered permanently absent. If the Owner/Agent verifies that the family member will likely return in less than 180 consecutive days, the family member will not be considered permanently absent as long as the rent and other charges remain current.

9.REMAINING MEMBER OF RESIDENT'S FAMILY

A remaining member of Resident's family is the person or persons who are listed in the lease or lease supplement as an authorized household member. A remaining member may be eligible to enter into a lease with the Owner/Agent as the new head of household. The remaining member of the resident's family must: (a) have been previously approved by the Owner/Agent to live in the unit and (b) satisfy the applicant screening criteria set forth herein. In the event the remaining family member is a minor, the Owner/Agent may approve, as an additional household member to the lease, an adult person non-member of the Resident household, who submits written documentation of a court-ordered custody or guardianship of the minor remaining family member and who satisfies the LTA eligibility criteria,

10. ADMINISTRATIVE HEARINGS

10.1.Informal Hearing for Applicants Denied Eligibility.

10.1.1. Notice of Ineligibility Determination.

Applicants who are determined ineligible will be sent a written notice promptly by

Owner/Agent.

10.1.2. Content of Written Notice of Ineligibility.

The notice of ineligibility (the "**Ineligibility Notice**") will:

(a) Inform the Applicant of the status of his or her application and will state the basis for the ineligibility determination;

(b) Offer the Applicant an opportunity for an informal hearing concerning the denial of eligibility;

(c) Specify that the Applicant must request an informal hearing within 14 working days from receipt of the notice;

(d) Inform the Applicant of his or her right to request a reasonable accommodation in order to participate in the hearing process and provide contact information for the Applicant wishing to make such a request. Written requests for reasonable accommodations for informal hearings are preferred, but verbal requests will be accepted with a written confirmation provided back to the Applicant by the Owner/Agent. Applicants who have a disability and need a reasonable accommodation in order to participate in the informal hearing process may request a reasonable accommodation during any stage of the informal hearing process;

(e) Inform the Applicant that a list of any witnesses or documents relied upon by HABC or the Owner/Agent will be made available to the Applicant for review prior to the informal hearing upon request. HABC or Owner/Agent may charge Applicant the reasonable cost for reproduction of any documents requested.

(f) Inform the Applicant that his or her attorney or advocate may attend and represent him or her at the informal hearing, to include presenting evidence to dispute determination by the Owner/Agent or evidence of mitigating circumstances, as provided in Section 4.2 hereunder. Participants, which include, but are not limited to, the Applicant, Owner/Agent and HABC may engage in appropriate and relevant conversations during the hearing;

(g) Provide contact information for the TC and inform the denied Applicant that the TC is available to assist the Applicant with appealing a denial..

10.1.3. Scheduling the Informal Hearing.

(a) If the Applicant requests an informal hearing, the Management Agent will schedule an informal hearing within fourteen (14) business days of receiving the request and notify the Applicant of the place, date, and time for the hearing.

10.1.4. Hearing Officer.

Informal hearings will be conducted by an impartial hearing officer, to be designated by Management Agent. Audio or video recordings of the informal hearings shall be prohibited by any participant. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of that person. Housing units are not required to be held open during the period the Notice of Ineligibility is being appealed. The Management Agent shall wait for the appeal notice period to expire before sending denial notification to HABC for waitlist disposition purposes. Applicants shall be advised of their right to be represented by legal counsel or an advocate and present evidence to dispute the Management Agent's determination or evidence of mitigating circumstances.

10.1.5. Decision of Hearing Officer.

The Owner/t Agent will send the Applicant the written decision via first class mail within three (3) business days of the informal hearing. The written decision shall state the reasons for hearing officer's decision and the evidence provided at the hearing in support of such decision. The hearing office shall only consider evidence presented at the informal hearing in deciding whether to uphold or overturn the Notice of Ineligibility. In the event the Notice of Ineligibility is overturned by the Hearing Officer, the Applicant shall be determined eligible for the next available unit, subject to size availability.

10.2. Grievance Policy and Procedure. Grievances of the Resident shall be governed by the attached Grievance Policy and Procedure (**Exhibit 1**).

11. TRANSFERS

11.1. Agent-Initiated Transfers: The Agent may require that a Resident accept a transfer when a Resident occupies a housing unit with accessible features that are not needed for the Resident or Resident's family and a Resident or Applicant has been identified who does need the accessibility features of the unit. Failure to accept a Management Agent-initiated transfer will be a Lease violation and may result in termination of the lease, provided that resident was provided proper notice at the beginning of the lease term that by accepting an accessible unit the resident may be responsible for moving costs if the unit is needed for a resident requiring an accessible unit.

Resident will be responsible for moving costs. The Management Agent will give the Resident 30 days' advance notice of the intended transfer. The Resident will have two (2)

working days to complete the actual move and turn over possession of the vacated unit. The Resident may request, and the Management Agent may grant, an extension of up to three (3) working days if needed.

The Management Agent may require that a Resident transfer because the unit is to be rehabilitated or demolished. The Owner/Management Agent is responsible for moving costs.

11.2 Resident Requested Transfers: A Resident must be permitted to request a transfer to another unit based upon the criteria set forth below. Valid reasons for Resident requested transfers include:

- Accessible Unit – Resident may request a unit with needed mobility or hearing/vision impaired accessibility features. If a transfer is required, the Owner/Management Agent is responsible for moving costs.
- Reasonable Accommodation – The Agent will provide reasonable accommodations to individuals with a disability to the maximum extent feasible. Moving costs will be paid by Owner/Management Agent.
- Crime Victim- Resident may request a transfer if a criminal attack, recent or ongoing, or credible threat of an imminent criminal attack against the Resident, or member of Resident's household, has destroyed the family's peaceful enjoyment of the unit. Resident will be responsible for moving costs.
- A unit becomes uninhabitable through no fault of the resident. Moving costs will be paid by Owner/Management Agent.

Resident must be current with all rental payments and charges due under the lease to receive approval for a Resident requested transfer. Residents may refuse unit transfer offers for good cause. After rejecting 3 offers, the resident is withdrawn from the transfer waitlist. Residents whose transfers are mandatory are subject to lease termination. Residents may file for a grievance under the Grievance Procedure if the transfer is denied or in the case of a mandatory transfer, the Resident disputes the basis for requiring the transfer.

11.3Transfer to HABC Conventional Public Housing: In addition to the bases set forth in this Section 11, a Resident may be eligible to transfer to a suitable HABC conventional or mixed finance public housing unit, or other HABC long term affordable for the following reasons:

- To abate dangerous and/or substandard conditions within the unit that cannot otherwise be addressed.
- To abate emergency life-threatening living conditions caused by third party criminal activity.
- To accommodate verified physical conditions caused by long-term illness and/or disability (such as the ability to live closer to a required medical treatment center).
- To accommodate resident families that are determined to be over- or under-housed by virtue of family size.

- To permit the rehabilitation of the resident's unit.
- To offer standard alternative accommodations when repairs to the unit cannot be made within a reasonable time.

HABC will always consider a request to transfer as a reasonable accommodation for a person with a verified disability. For reasonable accommodation transfers, HABC is responsible for moving costs. This right to transfer shall include a request to transfer from Long Term Affordable Units at O'Donnell Heights to the public housing transfer list. Residents who apply for a transfer to public housing, per this Section, shall be placed on the public housing transfer waiting list based upon the date and time of filing of Resident's application for reasonable accommodation.

All transfer requests shall be initiated by HABC or the Resident in writing. In order to be eligible for transfer the Resident shall submit the required documentation to HABC to substantiate the request and must be in Good Standing with HABC and the Owner/Management Agent at the time of the transfer.

12.LEASE REQUIREMENTS

12.1. The leasing requirements and lease terms must comply with the provisions set forth in 24 CFR 966, subpart A. Notwithstanding this provision, the requirements for security deposits shall comply with Section 3 hereunder, and redetermination of rent shall comply with Section 6 hereunder.

12.2.Lease Termination

-By Owner/Management Agent: The lease is automatically renewable for a 12-month period. Leases can only be terminated for serious or repeated violation of material terms of the lease or other good cause consistent with the requirements of 24 CFR 966.

-By Resident: The Resident may terminate the lease by providing the Agent 30-day's notice, which is effective on the last day of a month.

12.2.1. Notice of Lease Termination

The notice of lease termination to the Resident shall state specific grounds for termination, and shall inform the Resident of the Resident's right to make such reply as the Resident may wish.

(a) When the Management Agent is required to afford the Resident the opportunity for a grievance hearing, the notice shall also:

1 Inform the Resident of the Resident's right to request a hearing in accordance with the Grievance Procedure (Exhibit 1);

2 Specify the judicial eviction procedure to be used by the Management Agent for eviction of the Resident, and state that

HUD has determined that this eviction procedure provides the opportunity for a court hearing that contains the basic elements of due process as defined in HUD regulations; and

3 State whether the eviction is for criminal activity or for drug related criminal activity.

(b)When the Management Agent is not required to afford the Resident the opportunity for hearing under the Grievance Procedure, the notice of lease termination shall:

(1)State that the Resident is not entitled to a grievance hearing on the termination;

(2)Specify the judicial eviction procedure to be used by the Management Agent for eviction of the Resident, and state that HUD has determined that this eviction procedure provides the opportunity for a court hearing that contains the basic elements of due process as defined in HUD regulations; and

(3) State whether the eviction is for criminal activity or for drug-related criminal activity.

13.THE VIOLENCE AGAINST WOMEN ACT (VAWA)

VAWA protects applicants, tenants and immediate family members of tenants who are victims of domestic violence, dating violence, or stalking from being denied, evicted or terminated from housing assistance based solely on criminal acts of domestic violence against them. Criminal acts of domestic violence against the victim shall not be considered "serious or repeated lease violations" or "criminal activity" that are grounds for termination of the lease or denial of housing assistance.

14.REASONABLE ACCOMMODATION POLICY

The Reasonable Accommodation policy is designed to provide persons with disabilities reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. Written information regarding this policy and the procedures for making a request for a reasonable accommodation shall be posted and made available at Owner/Management Agent offices and, if different, at the Management office on the property. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of services as those who do not have disabilities. Situations in which this policy applies include, but are not limited to, when a family initiates contact with the Owner/Management Agent, when the Owner/Management Agent initiates contact with a family including when a family applies, and when the Owner/ Management Agent schedules or reschedules appointments of any kind.

To be eligible for a reasonable accommodation, a person must have a disability. A person requesting an accommodation due to a disability should submit a Request for Reasonable Accommodation Form (the Request Form). The Request Form will be available in an alternative format to accommodate those needing such a format in order to submit the request. However, a reasonable accommodation request may also be made orally or in another equally effective means of communication. The Owner/Management Agent will acknowledge receipt of the request within twenty (20) business days of receiving the request and, within this time period, the Owner/Management Agent may request additional information or documentation needed in order to make a decision regarding the request. Owner/ Management Agent will make a decision on the request within thirty (30) business days after receiving all needed information and documentation from the requestor. The decision will be communicated in writing or, if required because of the requestor's disability, in an alternative format. If the Owner/ Management Agent will be unable to make a decision within thirty (30) business days, it will advise the requestor in writing with the reason(s) for the delay. If the Owner/Management Agent finds that the requested accommodation would result in a fundamental alteration in the nature of its housing programs or activities, or in undue financial and administrative burdens, the Owner/Management Agent may deny the request and/or present an alternate accommodation that will meet the need of the requestor.

The Owner/ Management Agent may make reasonable accommodations through such means as reassignment of services to accessible buildings, alteration of existing facilities and construction of new facilities, or any other methods that result in making its programs or activities readily accessible to and usable by individuals with disabilities.

The Owner/Management Agent is not required to make structural changes in existing housing facilities where other methods are effective in achieving compliance or to provide supportive services that are not part of the program.

Verification of Disability

The Owner/Management Agent 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. The Owner/Management Agent will not require applicants to provide access to confidential medical records in order to verify a disability and will not require specific details about the disability. The Owner/Management Agent may require documentation of the manifestation of the disability that causes a specific need for a specific accommodation or accessible unit.

Recertification by Mail

The Owner/Management Agent will permit the family to submit annual and/or interim reexamination forms through the mail, when the Owner/Management Agent has determined that the request is necessary as a reasonable accommodation.
The mail-in packet will include notice to the family of the deadline for returning the completed forms to the Owner/Management Agent.

If there is more than one adult member in the household, but only one is disabled, re-certification can be processed through the mail or the family may choose to have the re-certification conducted by a home visit or to have the non-disabled adult family members come in for the appointment and

then take the necessary forms home to the member with a disability for completion and signature.

Home Visits

When requested and where the need for reasonable accommodation has been established, home visits to residents will be done to conduct annual and/or interim re-certifications.
Requests for home visit re-certifications must be received by the Owner/Agent at least five working days before the scheduled appointment date in order for the request to be considered.

15.FAIR HOUSING POLICY

It is the policy of the Owner/Agent 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.

Owner/Agent shall not deny any family or individual the equal opportunity to apply for or receive assistance under the housing assistance programs at the Development on the basis of race, color, sex, religion, national origin, ancestry, age, familial status**,** marital status, or disability or sexual orientation.

16.TRANSLATION OF DOCUMENTS

Consideration will be given as to whether documents which are written in English and are relevant to the Resident's tenancy will be translated into other languages. The decision to translate such documents will be based on the following factors:

- The number of Residents who do not speak English and who do speak the other language;
- The estimated cost per Resident of translation of the English written documents into the other language;
- The availability of translation services for non-English speaking Residents.

17.LANGUAGE ASSISTANCE

Readers will be provided to assist Residents with literacy barriers in completing documents relating to their tenancy.

18.AVAILABILITY OF DOCUMENTS

A copy of each of the following documents will either be posted in a conspicuous location at the management office for the site or will be provided to the Resident:

- The Admissions and Continued Occupancy Policy;
- Schedule of maintenance charges;
- Dwelling Lease;
- Complaint and Grievance Policy and Procedure;
- Fair Housing poster;
- Equal Opportunity in Employment poster;
- Required public notices;

- Schedule of Utility Allowance, as applicable;
- Information on eviction for drug-related and other criminal activity

19.RESIDENT PARTICIPATION

Residents are authorized to participate in all activities set forth in 24 CFR Part 964.

All residents in LTA units are eligible to participate in TC activities and also eligible to serve on the Resident Advisory Board and serve as commissioners at HABC. The Owner has budgeted in its initial operating budget the sum of fifteen ($15.00) per LTA unit annually for participation in RAB meetings and training. Annually, this sum shall increase on par with other operating expenses in the operating budget.

20.These Admissions and Leasing Criteria Applicable to Long Term Affordable Units shall not violate State or Federal law. In the event these admissions and leasing criteria are deemed to be in violation of either State or Federal law, or both, they shall be amended to ensure that said violations are cured and that they remain in compliance with applicable law.

EXHIBIT 1

LONG TERM AFFORDABLE
RESIDENT GRIEVANCE POLICY ANDAPPEALS PROCEDURE

I. PURPOSE

This Long Term Affordable Resident Grievance Policy and Appeals Procedure (the "**Grievance Procedure**") is established to assure that Residents are afforded an opportunity for a fair hearing if the Resident disputes a Management Agent action or failure to act involving the Resident's Lease, or Management's regulations which adversely affect the Resident's rights, duties, welfare or status. Neither housing assistance nor tenancy shall be terminated until such time as the grievance process has been completed. This Grievance Procedure shall be incorporated by reference into the dwelling lease.

II. APPLICABILITY AND DEFINITIONS

1. This Grievance Procedure shall be applicable to all resident grievances, except the following:

A. Refusal to pay rent when due, unless the amount of rent charged is in dispute;

B. Disputes between Residents not involving Management Agent;

C. Class grievances;

D. Any criminal activity that threatens the health, safety or the right to peaceful enjoyment of the premises of other residents or employees of the Management Agent;

H. Any violent or drug related criminal activity on or off the premises of other residents or employees of the Management Agent;

I. Any criminal activity that resulted in felony conviction of a household member; or

J. Any lease termination due to the occupancy of person subject to a sex offender lifetime registration requirement.

2. Maryland law requires that Residents be given the opportunity for a court hearing before eviction from a dwelling unit. Thus, where the Grievance Procedure does not apply, the Management Agent is still required to use proper judicial process.

3. The following definitions are applicable to this Grievance Procedure:

A.Class Grievance: Any grievance in which the decision on an individual grievance would be, as a practical matter, dispositive of the interests of other Residents.

B.Complainant: Any Resident, as defined in below, who presents to the Management Agent a grievance in accordance with the procedures set forth herein.

C. Grievance: Any dispute that a Resident may have with respect to the Management Agent's action or failure to act in accordance with the individual Resident's lease or regulations which adversely affect the individual Resident's rights, duties, welfare or status, including any dispute about the amount of rent that is charged. The definition of "grievance" does not include the matters set forth in Section II.1. A through G above.

D.Resident: The adult person (or persons, other than a live-in aide, as defined in the lease): (1) who resides in the unit, and who executed the lease with the landlord of the dwelling unit, or (2) if no such person now resides in the unit, the person who resides in the unit, and is the remaining head of household of the Resident family residing in the dwelling unit.

III. INFORMAL DISCUSSION OF GRIEVANCE

As much as possible should be left to the mutual efforts of Management Agent and Resident, with both parties attempting to resolve all complaints as quickly and justly as possible. However, the Resident may present a grievance for any complaint which cannot be resolved by such methods, and the following procedure will apply in grievances based on lease termination notices that are subject to the grievance policy. For all non-lease termination grievances, the time periods for the informal discussion and formal grievance hearing shall be as follows:

A. The Complainant shall, either orally or in writing, present a description of the grievance to the Management Agent Office within twenty (20) working days after the Management Agent's action or failure to act, giving rise to the grievance, so that the grievance may be discussed informally and settled without a formal hearing (the "Informal Discussion"). Forms for requesting an Informal Discussion or formal grievance hearing shall be available from the Management Agent. Use of the request form is optional.

B. The Resident shall receive a receipt upon presentation of the grievance stating the date of filing and the nature of his/her grievance, and a copy will be retained in the Management Office's Resident file.

C. The Management Agent, in concert with the Complainant, will establish a mutually agreeable date, time and place for the Informal Discussion.

D. The Management Agent shall mail to the Resident within three (3) working days after the meeting, a summary of the Informal Discussion and his/her decision regarding the proposed disposition of the complaint and the specific reason thereof ("Summary Decision"). The Summary Decision shall specify the procedures by which a hearing may be obtained if the Complainant is not satisfied.

IV. PROCEDURE TO OBTAIN A HEARING

A. Request for Hearing: If the Complainant is not satisfied with the results of the Informal Discussion, the Complainant shall submit a written request for a hearing to the Management Agent, no later than ten (10) working days after the date Complainant receives the Summary Decision, pursuant to Section III. above. The written request shall specify: (1) the reasons for grievance; and (2) the action of relief sought.

B. Hearing Prerequisite: All grievances shall be presented either orally or in writing pursuant to the procedures prescribed in Section III. above as a condition precedent to a hearing, unless the Complainant obtains a waiver of this prerequisite from a Hearing Panel.

C. Waiver of the Hearing Prerequisite:

In order to request a waiver of the hearing prerequisite, the Complainant must show good cause for failing to request and proceed with an Informal Discussion, and shall comply with the following:

1. Within three (3) working days after the deadline for presenting a grievance in accordance with the procedures for an Informal Discussion the Complainant shall submit to the Management Office a request for a waiver of this hearing prerequisite.

2. A hearing will be convened before a Hearing Panel in order to decide whether the hearing waiver request will be granted.

3. The Complainant shall appear before the Hearing Panel to show why he or she failed to proceed within the time period for the Informal Discussion.

4. If the Hearing Panel decides the Complainant has shown good cause for his or her failure to proceed within the time period for the Informal Discussion, the Hearing Officer or Hearing Panel may grant the waiver.

5. If the Informal Discussion prerequisite is waived, the Hearing Panel will immediately set a date for a hearing concerning the Complainant's grievance.

D. Failure to Make a Timely Request for a Hearing: If the Complainant does not make a request for a hearing within five (5) working days after receipt of the Summary Discussion, Management Agent's disposition of the grievance shall become final. Failure to request a hearing shall not constitute a waiver by the Complainant of his or her right thereafter to contest Management Agent's action in disposing of the complaint in an appropriate judicial proceeding.

E. Escrow Deposit: In any grievance involving the amount of rent or any part thereof, as defined in the lease, which the Management Agent claims is due under the lease, and which has not been paid, the Complainant shall pay to Management Agent at the time the Complainant files his or her request for a formal hearing, an amount at least equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The Complainant shall thereafter pay the same amount of the monthly rent to the Management Agent, and the Management Agent shall deposit the monies in an escrow account until the grievance is resolved by decision of the Hearing Panel. Following this decision, any amount due the Complainant from the escrow deposits shall be returned in full to him or her within 30 days. These requirements for escrow deposit must be waived by Management Agent:

3. in the event Management Agent determines, upon request by the Complainant, that the Complainant is unable to pay the escrow deposit because of a financial hardship in accordance with the requirements under the lease, or

4. for the portion of the Complainant's rent attributable to the imputed welfare income.

Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure, provided that failure to make payment shall not constitute a waiver of any right the Complainant may have to contest Management Agent's disposition of his or her grievance in an appropriate judicial proceeding.

F. Scheduling of Hearings: Upon Complainant's compliance with all applicable procedures or waiver, the formal grievance hearing will be scheduled within five (5) working days of the Complainant's request. The hearing will be held before a Hearing Panel. A written notification shall be delivered by hand or by regular mail, specifying time, the place and the procedure governing the hearing, to the Complainant, the Management Agent, and the Hearing Officer or the members of the Hearing Panel.

V. SELECTION OF HEARING PANEL OR HEARING OFFICER

A. The grievance shall be presented before a Hearing Panel consisting of five (5) voting persons and a Secretary (who is non-voting) for record keeping purposes who will be provided by Management or HABC. The Resident Advisory Board ("RAB") will select two (2) panel members; Management and/or HABC will select

two (2) panel members; and one (1) impartial member will be selected from a list of names previously compiled by HABC. The Hearing panel shall not include any of the following persons:

1. Any relatives of the Complainant or Management;
2. Any person from the Complainant's development;
3. Any person whose duties, responsibilities or knowledge involve the grievance at issue; and
4. Any person whose duties, responsibilities or knowledge involve the operation of the development.

VI. PROCEDURES GOVERNING THE HEARING

A. If the hearing is held before a Hearing Panel, three members, including the impartial member, shall constitute a quorum for the hearing. The impartial member shall act as moderator at the hearing. His or her responsibilities will include coordinating all activities associated with the hearing, such as calling witnesses and maintaining order, and generally insuring that the hearing is conducted in a fair and orderly manner.

B. The Complainant shall be afforded a fair hearing providing the basic safeguards of due process, which shall include:

1. The opportunity to examine before the hearing any HABC documents and to copy all documents, records and regulations of Management Agent, that are relevant to the hearing. Any document relevant to the hearing which Management Agent does not make available after request thereof by the Complainant, may not be relied on by Management Agent at the hearing. The copying of documents, which Management Agent intends to use in responding to the grievance, shall be done at the expense of Management Agent. All other documents shall be copied at the expense of the Complainant.

2. The right to be represented by Counsel or other person chosen by the Complainant as his or her representative.

3. The right to a private hearing (which includes only the Hearing Panel members, the Complainant, the Housing Manager, the Panel Secretary, Counsel or representative from both sides and witnesses) unless the Complainant requests a public hearing.

4. The right to present evidence and arguments in support of his or her complaint, to controvert evidence relied on by Management Agent, and to confront and cross examine all witnesses upon whose testimony or information Management Agent relies.

5. The right to a decision based solely and exclusively upon the facts presented at the hearing.

6. The Hearing Panel shall hear each case and judge it on its own merit.

C. The Management Agent and Complainant shall exchange a listing of witnesses that each intends to call upon at the hearing.

D. If the Complainant or Management Agent fails to appear at a scheduled hearing, the Hearing Panel may make a determination to postpone the hearing, or may make a determination that the party has waived the right to a hearing. Both the Complainant and Management Agent shall be notified of the determination by the Hearing Panel, provided that a determination that the Complainant has waived the right to a hearing shall not constitute a waiver of any right the Complainant may have to contest disposition of the grievance by Management Agent in an appropriate judicial proceeding.

E. At the hearing, the Complainant must first make a showing of an entitlement to the relief sought and thereafter Management Agent must sustain the burden of justifying Management Agent's action or failure to act against which the complaint is directed.

F. The hearing shall be conducted informally by the Hearing Panel, and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. Failure to comply with the directions of the moderator of the Hearing Panel for order may result in exclusion from the proceedings.

G. Upon request of either or both parties, the hearing shall be recorded. The Complainant or Management Agent may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

VII. DECISION OF THE HEARING PANEL

A. The Hearing Panel shall prepare a written decision, together with the reasons thereof, within three working days after the hearing. A copy of this decision shall be sent to the Complainant, and the Management Agent. The Management Agent shall retain a copy of the decision in the Resident's folder in the Management Office. A copy of such decision, with all names and other personal identifying references deleted, shall also be maintained on file by Management and made available for inspection or purchase by a prospective Complainant, his representative, and the Hearing Panel.

B. If the grievance is in reference to monies due under the tenancy, and or Hearing Panel rules in favor of Management Agent, a written agreement will be made between the Complainant and the Management Agent for payment of the amount due and the schedule for payment.

C. The decision of the Hearing Panel shall be binding on Management Agent, which shall take all action, or refrain from any action necessary to carry out the decision, unless the decision of the Hearing Panel is contrary to applicable Federal, State or local law or applicable regulations, or the HABC Moving to Work Agreement and Annual Plan.

D. A decision by the Hearing Panel denying the relief requested by the Complainant in whole or in part shall not constitute a waiver of, nor affect in any manner whatsoever, any rights the Complainant may have in any judicial proceedings, which may thereafter be brought in the matter.

VIII. NOTICE TO VACATE AND EVICTION ACTIONS

If the Complainant's grievance hearing was due to a complaint concerning a notice of lease termination, and the Hearing Panel upholds Management Agent's action to terminate the tenancy, Management Agent shall issue to the Resident a Notice to Vacate prior to commencing an eviction action. The Notice to Vacate shall not be issued prior to the Hearing Panel's decision having been delivered by hand or by regular mail to the Complainant. Such Notice to Vacate must be in writing and specify that if the Resident fails to quit the premises within the applicable statutory period, or by the termination date stated in the notice of termination, whichever is later, appropriate action for eviction will be brought against him/her and he/she may be required to pay court costs, and attorney's fees if the Management Agent prevails in the eviction action.

IX. ACCOMMODATIONS

Upon notification made by the Resident (a) upon the Resident's request for an informal grievance, and (b) upon the Resident's request for a formal grievance, the Management Agent will provide reasonable and accessible accommodations for residents with qualified disabilities and ensure that communication is as effective as that provided to individuals without disabilities. Moreover, the Management Agent shall take appropriate steps to ensure that communications with participants with disabilities are as effective as communications with others, which may include, but not be limited to, enlarged print, a signer, audio communication, Braille, or a reader.

X. TIME PERIODS

In computing time periods set forth herein, Saturdays, Sundays and holidays observed by the Management Agent shall not be included.

LONG TERM AFFORDABLE UNITS

PET POLICY

APPLICABILITY

This Pet Policy and any amendments thereto, shall apply to all Residents of the LTA Units. This Pet Policy, as it may be amended from time to time, shall be incorporated into and made a part of the Resident's lease.

Exclusion from Applicability. This Pet Policy does not apply to animals that assist, support, or provide service to persons with disabilities. The Management Agent shall not apply nor enforce this Pet Policy against animals that are necessary as a reasonable accommodation to assist, support, or provide service to persons with disabilities. This exclusion applies to such animals that reside at and visit the Development.

DEFINITIONS

The term "**Pet**" is defined as a domesticated small animal limited to dogs, cats, gerbils, hamsters, guinea pigs, birds, (parakeet, canary, finches, cockatoo, small parrot) and fish. **The following breeds are excluded from the definition of Pet, and shall be expressly prohibited from being kept, owned or harbored in, on or about the Premises (as that term is defined in the Lease) by any Resident or any member of the Resident's household: PIT BULLS, ROTTWEILERS, CHOW-CHOWS, BULL MASTIFFS, DOBERMAN PINSCHERS, AND ANY CROSS-BREED THEREOF, AND ANY WOLF OR PART WOLF.**

REQUIREMENTS

1. **Number Limitations** - No more than one domesticated Pet, and/or one 20-gallon tank of fish will be kept in a Unit. Heads of household shall be responsible for their Pet. The Resident must maintain the Pet responsibly and in accordance with applicable State and local public health, animal control, and animal anti-cruelty laws and regulations.

2. **Size of Pet** - Dogs or cats or others defined in paragraph 1 shall weigh no more than twenty (25) pounds at maturity. Fish are limited to a single bowl or steel framed glass fish tank having a capacity of not more than twenty (20) gallons. Birds can be no larger than one (1) pound.

3. **Resident's Health** - A Pet owner must be physically and mentally capable of taking care of the Pet.

4. **Security Deposit** - A refundable Pet security deposit of fifty dollars ($50.00) shall be required for each Pet. The Pet security deposit can be paid over a three (3) month consecutive period, and will be held in the manner required for applicable security deposits under Maryland law. THE PET SECURITY DEPOSIT WILL BE RETURNED

WITHIN 45 DAYS OF MOVE-OUT OR IF A PET IS REMOVED BEFORE RESIDENT MOVES FROM THE DWELLING UNIT, WITHIN 45 DAYS OF PET REMOVAL.

5. Upon move-out or Pet removal the cost to de-flea, deodorize, and clean the carpet and/or floor tile will be deducted from the Pet security deposit if deemed necessary by Management. The Dwelling Unit will be inspected and the remainder of the Pet security deposit will be refunded, if the Dwelling Unit is free of damage. The move-out inspection will be performed by the Resident and Management.

   The Pet security deposit may only be applied to damages caused by the Pet.

6. **Hold Harmless** – The Management Agent shall not be responsible for any actions or injuries or damages caused by the Resident's Pet. A Pet is the sole responsibility of the Resident.

7. **Vaccinations** – Every Pet, if required by law, must wear a current City Animal license and be vaccinated. Resident must submit registration papers to the Management Office. A copy of the Pet's (dog or cat) current inoculation and treatment is to be furnished and verified annually by a licensed veterinarian which must indicate dates of most recent shots and treatment against disease and parasites as follows:

   (a)Dogs – rabies, parvo-virus, para-influenza, distemper, hepatitis, leptospirosis (D.H.L.), hookworm, heartworm, roundworm, tapeworm, and other internal and other parasites, fleas, ticks and other external parasites and other diseases of the skin including eczemas.

   (b) Cats – rabies, rhinotracheitis, calici virus, pnemonitis, tapeworms, hookworms, heartworms, and other internal parasites, fleas, lice, ticks and other external parasites.

   Female cats and dogs over six months of age must be spayed and males over eight months must be neutered, unless a licensed veterinarian gives medical reasons why such is detrimental to the Pet's health.

8. **Housekeeping** – The Unit must be kept free of odors and maintained in a clean and sanitary condition. Cats must be litter box trained, and dogs must be able to exercise outside the Dwelling Unit. Litter boxes must be changed a minimum of once a week and scooped once a day. Kitty litter is to be bagged securely in a heavy plastic trash bag, tied, and disposed of in an approved trash receptacle.

   (a) Birds must be maintained in a cage and never allowed to fly free within the Dwelling Unit.

   (b) Dog and cat bedding and the Dwelling Unit are to be kept free of and treated regularly on an ongoing basis against infestations by fleas, ticks, lice, pet worms, mites, and other parasites. If infestation of any such parasites or vermin occur

which shall be determined by Management to have occurred due to inattentive care by the Pet owner, and/or if such infestation shall spread to other Dwelling Units, Management shall have the right to eradicate in all affected areas at Pets owner's expense.

(c)Pet owners must control excessive noise and odor caused by their Pets.

9. **Pet Control in Public Area** – Pets must be on a leash outside of the Dwelling Unit and in all public areas. Under no circumstances may any Pet of any kind be taken into, or permitted to be in, the recreation/community rooms, or any other "common" room.

10. **Waste Control** – Pet owners shall be responsible for immediate cleanup of Pet feces in accordance with applicable law. Resident must ensure that their yard is kept clear of Pet feces. Resident will not place any animal fecal waste, kitty litter, etc., or other articles in the sinks, plumbing fixtures or on the grounds. Residents must place all Pet waste in a heavy plastic trash bag, tied and disposed of in an approved trash receptacle.
If a toilet has to be unclogged or a sink unstopped because of animal waste, kitty litter, and/or stones from a fish bowl, the Resident will pay all associated cost.

11. **Nuisance** – If, in the judgement of Management, any Pet becomes a threat to the safety and comfort or quiet enjoyment of the Premises to any other Resident, employee, or visitor to the Premises, or if such Pet causes substantial damage to any part of the building or grounds or the furnishings and fixtures thereof, then, upon the written request of Management, such Pet shall be permanently removed from the Premises by the Pet's owner within five (5) days.

    If the Resident files a grievance the Pet shall be allowed to remain until the grievance process is exhausted. In the case of a Pet biting a person, the Pet must be immediately removed to an area for surveillance for a period designated by a Health Officer and must then be examined by a licensed Veterinarian. Animal bites must also be reported to the local Health Department and/or the Police. A bite victim or parent of a child bitten by an animal can swear out a complaint against the owner of the Pet at the nearest district court. Refusal by the Pet owner to abide by Management Agent's request for a Pet's removal may result in termination of residency.

12. **Complaints/Problems** – Any and all complaints about Pets will not be considered valid (or heard) unless they are in writing, dated and signed by the person(s) making the complaint. Management Agent will review complaints and/or problems concerning a Pet/Pet owner. Management Agent will notify in writing the Pet owner of the complaint and the Resident will have 24 hours to answer the complaint. Two or more legitimate complaints will mean the Pet must be removed unless the Pet owner initiates a grievance procedure. Failure to comply may result in termination of residency.

13. **Resident's Absence** – No dog or cat shall be left alone in any Unit over twenty-four (24) hours. Any Resident who is away twenty-four (24) hours or longer for any reason must

make arrangements for such Pet to be kept elsewhere during his/her absence.

14. **Responsibility for Pet in an Emergency** – The Pet owner shall file with the Management an affidavit of agreement signed by one (1) person who is not a Resident of the Unit who will assume immediate responsibility for the Pet in case of an emergency or in case the Pet owner becomes unable to provide proper care for the Pet. In addition, the Pet owner shall file with Management Agent an affidavit authorizing Management Agent to have the Pet removed in the event that the Pet owner cannot care for the Pet and the responsible party cannot be reached. Management Agent will contact the SPCA or an appropriate authority for removal of the Pet in such event

15. **Fire Emergency** – When a fire alarm or smoke detector sounds, Pets are to be placed in the bathroom and the door is to be closed. If evacuation is necessary the fire department will be responsible for the evacuation of Residents first, and then the Pet.

16. **Subsequent Agreements** – If a Resident has an approved Pet and that Pet is disposed of, the Resident must notify Management Agent. The Resident and Management Agent will perform an inspection of the apartment. The Pet security deposit will be used towards any damages and the balance, if any, of the Pet security deposit will be returned to the Resident within 45 days. If the Resident determines they want a new Pet, the Pet must be registered with the Management Office and a new Pet security deposit must be collected in accordance with the Pet Policy.

17. **Resident's Signature** – All Residents, whether desiring a Pet or not, must sign this Attachment to the Lease, thereby acknowledging agreement and acceptance of the Pet Policy. Those Residents desiring a Pet will have to meet all requirements listed in this Attachment and sign the "Application for Pets" including Section 3 which includes the "Co-Responsibility" section for a non-Resident friend or relative to sign.

18. The Management Agent reserves the right to rescind or change any of the foregoing rules to make such rules and regulations as may be deemed necessary for the safety, care and cleanliness of the Premises, and for the security, comfort and convenience of all Residents. Any changes deemed necessary by the Management Agent will be made in compliance with the Lease.

19. This Pet Policy is made a part of the HABC Dwelling Lease and any violation of the terms and conditions contained herein, will be considered a breach of the Lease. If any Court declares a particular provision of this Pet Policy to be invalid or illegal, all other terms of this Pet Policy will remain in effect, and both the Management Agent and the Resident will continue to be bound by all valid, legitimate terms of the Pet Policy.

AGREED AND ACCEPTED BY RESIDENT(S):

_____

DATE:

_____

ADDRESS:_____

MANAGEMENT AGENT'S
SIGNATURE:_____ **DATE:**_____

Exhibit A:
APPLICATION FOR PETS

Date:

SECTION I

I, _____ and _____Resident(s) of _____, living at _____verify I have received, reviewed, understand and accept the Pet Policy Regarding Pets Admittance and Ownership at _____I am also aware that the Pet Policy is an official part of my Lease, and that I am to abide by all its terms.

Resident Signature: _____ Date:_____

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SECTION II

Pet Description:_____Type:_____Sex:_____

Weight:_____Age:_____Name:_____

Color and Markings:_____

Security Deposit Required: Security Deposit Paid:_____

Veterinarian's Name:_____

Address:_____

Telephone Number:_____

SECTION III

I, _____, (non-Resident) relative /friend (circle one) of

Resident _____,
(Resident's Name)

live at _____, and I agree
(Non-Resident's Address)

to accept full responsibility of the Pet listed above in the event the said Resident is unable to care for the Pet in any twenty-four hour period.

Print Name:_____Date:_____

Signed:_____ Date:_____

Telephone Number:_____

Resident Signature:_____ Date:_____

Telephone Number:_____

Manager Signature:_____Date:_____

SECTION IV

I, _____
(Name of Management Agent)

Management Agent, permit the ownership by Resident of the Pet described as _____

at the following address:_____

Management Agent's Signature:_____

Date:_____

RESIDENT LEASE AGREEMENT

I hereby acknowledge my right as a Resident to keep a household Pet as defined in paragraph 1 of the Pet Policy.

I agree to comply with this Pet Policy (an Attachment to the Lease) with the understanding that violation of this Pet Policy may be grounds for Pet removal or termination of tenancy.

HABC:_____RESIDENT:_____

By:_____RESIDENT:_____

Title:_____

Date:_____Date:_____