PENDER COUNTY HOUSING AUTHORITY

AS ADMINISTERED BY THE PENDER COUNTY HOUSING DEPARTMENT

ADMINISTRATIVE PLAN

FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

REVISED

March 2016

INTRODUCTION

The Pender County Housing Authority (PCHA) was created in February 1980 to assist low-income citizens of Pender County in accessing decent, safe, affordable housing. PCHA assets are managed by the Pender County Housing Department (PCHD), which is a department of Pender County government, under the guidance of the Pender County Board of County Commissioners which is also PCHA's Board of Directors (the Board). The purpose of this Administrative Plan is to present the approved policies governing the admission and continued occupancy procedures for the operation of Section 8 Housing Choice Voucher (HCV) Program, including any Project-based Voucher Program.

This program is operated in accordance with the requirements of the U S Department of Housing and Urban Development (HUD) and includes variations for local policies established by PCHD and the PCHA Board.

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Definitions

Chapter 1
PROGRAM ADMINISTRATION

The Pender County Housing Department (PCHD), on behalf of the Pender County Housing Authority, administers the Housing Choice Voucher (HCV) Program, including any Project Based Voucher (PBV) Programs, within Pender County, which is the area it is authorized to administer its housing program under State and/or local laws. A copy of the legal opinion regarding PCHD's jurisdiction was previously given to HUD. PCHD must comply with U S Laws, HUD regulations, guidelines and other requirements for the program. HUD requirements are issued by HUD Headquarters in the form of Federal Register notices, HUD guidelines/guidebooks, Notices, regulations and/or other binding program directives.

PCHD will administer the HCV Program and PBV Program in accordance with this Administrative Plan and the occupancy policy included herein as well as in accordance with Federal, State and local housing laws, where they exist, and Board adopted policies governing administration of all major aspects of the program. PCHD will comply with the consolidated Annual Contribution Contract (ACC) and HUD-approved applications for program funding.

PCHD as a department of Pender County functions in accordance with County policies for hiring, promotion and conditions of employment. We are an equal opportunity employer and provider.

APPROACH AND OBJECTIVES

The Housing Choice Voucher Program (HCV Program) is administered by the Pender County Housing Director under the direction of the Pender County Housing Authority Board. The Board of County Commissioners is also the Housing Authority Board. The Board has responsibility for the overall operation of the program and for ensuring the establishment of policies and procedures compatible with HUD requirements and good business practices. Delegation of Authority to implement the program is given to the Housing Director, who is responsible for day-to-day management of PCHD, its programs and staff.

PCHD staff is trained and qualified to administer the HCV Program. The Director will ensure proper administration of the program through supervision and monitoring including but not limited to quality assurance activities such as supervisory inspections and file reviews.

PCHD will operate the program in a fair and impartial manner that provides for decent, safe and sanitary housing for income eligible families who are in need of affordable housing. Such families include low-income, elderly, disabled, homeless families and those families who may be least likely to apply for affordable housing.

The program will be administered in a manner that is responsive to needs of families residing in or expecting to reside in the area as well as to owners of local housing stock. The program will make every effort to balance the needs of families and owners with program requirements to ensure a stable, healthy partnership exists within the community. The program will provide for equal opportunities for both families and owners.

In order to reach program goals and objectives, PCHD will strive to assure families lease units meeting Housing Quality Standards (HQS) by applying HQS guidelines in a consistent manner. In this document, PCHD will establish local guidelines for HQS in addition to the basic requirements where addition requirements are reasonable and where local requirements will not adversely impact the availability of affordable housing.

Applicants will be given guidance on how to search for housing. Information will include information on HQS, the process by which PCHD determines affordability and what to do should they face discrimination. Applicants who need assistance locating housing will be given access to resources such as postings from local landlords, names of owners with available units, and owners who have units available outside areas of minority and/or low-income areas, when known.

PCHD will conduct periodic outreach and training to encourage area owners to participate in providing affordable housing by renting to eligible voucher holders. Owners participating in the program are required to maintain units to meet HQS requirements and will be encouraged to go beyond basic requirements by renovating and otherwise improving their units to ensure these units are both energy efficient and will be available to meet housing needs in the future.

PROGRAM PURPOSE AND STRUCTURE

In the HCV Program, HUD pays rental assistance that subsidizes the income of eligible families. The program is the successor to the HUD Certificate Program and contracts are no longer being executed for the Certificate Program.

Rental assistance helps income-eligible families afford decent, safe and sanitary housing. These types of programs are generally administered by State or local governmental entities called Public Housing Authorities (PHAs). As previously stated, PCHD, on behalf of the Pender County Housing Authority, is one such PHA. HUD provides the funding for both the rental assistance and program administration.

Families are required to select and lease units that are both affordable for their families based on program guidelines and that meet HQS requirements. Pursuant to HUD requirements, the rent must be reasonable for the market conditions. If a family selects a unit that is not affordable, not rent reasonable and/or does not meet HQS, the unit is not eligible unless the owner is willing and able to accommodate the requirements of the program by making the changes necessary for the unit to be eligible. When PCHD approves a unit as eligible, we will contract with the owner or his/her representative (the Landlord) to pay rental assistance on the family's behalf. The payment is made directly to the owner.

PCHD is not permitted to pay subsidy for families who lease ineligible units. Families who choose to lease ineligible units are responsible for paying the rent and are not eligible to receive rental assistance. Further, PCHD will cease to pay subsidy on units that become ineligible due to occupancy, HQS or other compliance/contractual issues in accordance with the terms of the HCV Program guidelines.

Regulations governing administration of the HCV Program are contained in 24 CFR Part 982.

DETERMINATION OF ASSISTANCE

In the HCV Program, rental assistance is determined by a formula. The subsidy payment is based on a local "payment standard" derived from HUD determined Fair Market Rents (FMRs) for the PHA's jurisdiction. The FMRs reflect the average cost to lease a unit in the local housing market.

HUD considers rent in terms of "Gross Rent", which is contract rent for a unit plus a utility allowance. The utility allowance is based on average utility costs for an area per unit size and type but is not necessarily the amount paid for or by a family. The utility allowance is a part of the formula used to determine both affordability and, for affordable units, the portion of rent the family will pay to the Landlord.

Families are required to pay 30 percent of their monthly adjusted household income toward rent and utilities. If the gross rent is less than the payment standard, then the family's overall portion will be based that figure. If the gross rent is higher than the payment standard for the unit, then the family will pay a larger share of the rent.

DETERMINATION OF ASSISTANCE: PROJECT BASED VOUCHER PROGRAM

In the Project-based Voucher (PBV) Program, the subsidy for families is the difference between the rent and 30 percent of the adjusted monthly income.

TENANT-BASED AND PROJECT-BASED RENTAL ASSISTANCE

As previously stated, assistance may be either Tenant-based or Project-based. With Tenant-based assistance, the assisted unit is selected by the family. The family has the opportunity to live anywhere in the United States that is in the jurisdiction of a PHA that runs a Tenant-based Housing Choice Voucher Program.

Families must select an eligible unit as out-lined in a previous section of this Plan and the owner must enter into a contract with the PHA in order to receive rental assistance payments. The Housing Assistance Payment (HAP) Contract, which is the contract between the PHA and the Landlord, covers a single leased unit and a specific family. If the family vacates the unit, the contract terminates. The family may move to another unit with continued rental assistance as long as the family is compliant with the program requirements.

In Project-based programs, rental assistance is paid for eligible families to live in specific housing developments or units. The assistance is not transferrable. If the family vacates the unit, assistance will be awarded to the next income eligible family who rents that specific unit.

FAIR HOUSING POLICY

It is the policy of PCHD 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. PCHD will not deny any family or individual the opportunity to apply for or receive assistance under the HCV Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial status, handicap or disability. The definition of "familial status" has been expanded to include families with children and same-sex partnerships.

To further its commitment to full compliance with applicable Civil Rights laws, PCHD will provide Federal/State/local information to Voucher holders regarding "discrimination" and any recourse available to them if they are victims of discrimination. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available upon request.

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 our facilities are inaccessible to or unusable by persons with disabilities.

PCHD's office is accessible to persons with disabilities. Posters and housing information are displayed in locations throughout our office in such a manner as to be easily read from a wheelchair. Accessibility for the hearing impaired is provided by the TTD/TDY telephone service provider and/or interpreter.

CIVIL RIGHTS CERTIFICATION

PCHD certifies to HUD that it will:

1. Administer housing programs in conformity with the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; and the Americans with Disabilities Act, as amended,
2. Affirmatively further fair housing in the administration of the program, and
3. Assist a family that claims illegal discrimination has prevented the family from leasing a suitable unit.

AFFIRMATIVE ACTION

PCHD takes affirmative action to provide opportunities to participate in the program to persons or families who, because of factors such as race, ethnicity, head of household gender, age, disability or source of income, are less likely to apply.

STATE AND LOCAL LAWS PROHIBITING DISCRIMINATION

Nothing in HUD regulations is intended to pre-empt operation of State and local laws that prohibit discrimination against a HCV Program participant because of a person or family's status as a Voucher holder. However, such State or local laws will not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the HCV Program.

NON-DISCRIMINATION CERTIFICATION

PCHD does not discriminate because of race, color, religion, creed, familial status, disability, national origin, age or marital status. Information will be given to families regarding discrimination and the recourses available to them in order to eliminate situation or procedures that create a barrier to equal housing opportunity for all.

If a family claims that illegal discrimination because of one of the above reasons has prevented the family from finding or leasing a suitable unit with assistance under the HCV Program, PCHD will provide information to the family on how to fill out and file a complaint of housing discrimination. The family will also be given contact information for Agencies that can assist them discrimination concerns.

MARKETING AND OUTREACH

It is PCHD's policy to conduct marketing and outreach as necessary to implement the HCV Program in a manner that will achieve program objectives of providing decent, safe and sanitary housing for eligible families using housing stock existing in the community. When necessary, PCHD will advertise the nature and availability of housing assistance for eligible families, including information with respect to units already occupied by families, in a newspaper of general circulation, by minority media and other suitable means such as the internet. The notice will inform families where they may apply for the Program and will be made in accordance with HUD Fair Housing guidelines requiring the use of Equal Housing Opportunity logo, statement and slogan.

If necessary, program information will be given to local newspaper, radio and television media as well as posted on the Agency webpage. A bulletin board or other suitable means will be used to maintain a listing of available housing.

LANDLORD EDUCATION

PCHD will conduct outreach and training periodically to encourage area owners to participate in providing affordable housing by renting to eligible Voucher holders. PCHD will solicit owners with units outside of areas of high poverty or minority concentrated areas to participate in the program through our training and outreach efforts. PCHD will also encourage participation of owners who have units with features that will accommodate handicapped or disabled families or families with special needs.

OTHER OUTREACH EFFORTS

Meetings may also be held periodically with area minority and senior citizen groups, local realtors, civic, social, charitable or other local organizations and service providers who may be interested in affordable housing for low-income families. Information provided may include such topics as how HCV Programs work, Fair Housing Laws, HQS requirements and common tenant/landlord concerns. PCHD will also work with local and regional social service agencies and non-profits, as necessary, to ensure that displaced, low-income families receive information on available housing programs. Information is available to private owners, applicants and other interested parties both in our office and on our website about the administration of the HCV Program.

If additional allocations of funds are received, PCHD will make this information known by advertising in local media including general circulation newspapers and minority media as well as by posting information on its website.

Advertising and documents intended for use by applicants and participants will be made available in formats that are accessible to those with hearing or visual impairments as well as for those with learning or cognitive impairments, including but not limited to large type materials, verbal explanations, sign language interpretations or other interpreters or translators as needed. Foreign language translators may be furnished by applicants or as required by HUD.

ACCOMMODATIONS POLICY

This policy is applicable to situations described in this Plan when a family initiates contact or when PCHD initiates contact with a family, including when a family applies, and when we schedule or reschedule appointments of any kind. PCHD will use as the definition of disability as defined by the Americans with Disabilities Act (ADA) of 1990 definitions and as amended by the Americans with Disabilities Act Amendments Act of 2008.

SECTION 504

No otherwise qualified individual with handicaps in the United States shall, solely by reason of her or his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

The PCHD administers the tenant-based assistance program in the most integrated setting possible that is appropriate to the needs of qualified individuals rather than segregating any individuals from the general population. A participant with a disability must ask for an accommodation of their disability in order to receive different treatment.

VERIFICATION OF REQUEST FOR REASONABLE ACCOMMODATION

PCHD may verify a request for a reasonable accommodation through a knowledgeable, medical professional. We utilize outside organizations to provide assistance for impaired persons as needed. All requests for reasonable accommodation must be approved by the Director or his/her designee.

UNDUE HARDSHIP

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability and the request does not create an "undue financial and administrative burden" for the PCHD, meaning an action requiring "significant difficulty or expense". In determining whether the accommodation would create an undue hardship, the following guidelines will apply:

- The nature and cost of the accommodation needed;
- The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and
- The number of persons employed at such facility, the number of families likely to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the facility as a result of the accommodation.

TRANSLATION SERVICES FOR LEP INDIVIDUALS

PCHD will take reasonable steps to provide Limited English Proficient (LEP) services as needed. We will utilize available resources to provide translation services to non-English speaking families including those available within other County Departments. Families are permitted to use family or friends as interpreters at their own expense.

VOUCHER MANAGEMENT

PCHD strives to maintain an adequate list of applicants in order to ensure that the maximum number of vouchers is being utilized at any given time and within the constraints of the program budget. Outreach and marketing efforts will be made considering the number of available vouchers, waiting list characteristics and priority requirements. Outreach, when conducted, will include special efforts to reach families least likely to apply.

PRIVACY POLICY AND PRACTICES

PCHD's policy regarding the release of information is designed to safeguard the privacy of applicants and participant families. It follows Federal, State and local laws that restrict the release of family or household information. Requests for information by outside Agencies or parties must include a signed request for release of information specifically permitting PCHD to provide the requested information. The exceptions to this rule include only those Agencies with whom PCHD has entered into a Memorandum of Understanding (MOU) for cooperation and sharing information on mutual clients, such as the Pender County Department of Social Services or similar Agencies.

Files containing personal information on applicants and families will be stored in a secure manner, accessible only to authorized staff, and may include electronic storage of records. Staff is not permitted to remove files from the Pender County offices, whether in paper or electronic formats excepting as necessary to provide reasonable accommodations to a person or persons with disabilities or to transport files between the main PHA office in Burgaw and the office in the Hampstead Annex.

The nature or diagnosis of a disability is neither purposefully requested nor collected. Any information inadvertently obtained by us that may lead to disclosure of the nature of a disability will be returned to the individual when possible. Information will be kept only if it is vital to determination of eligibility or the need for a "Reasonable Accommodation", as defined in Chapter 4. In such case, the information will kept secure and will be reviewed only by staff on an "as needed" basis and the Director in cases where a reasonable accommodation is under consideration.

INFORMATION TO OWNERS

PCHD is required to provide prospective landlords with the address of an applicant as well as the names and addresses of current and/or previous landlords, if known. An exception to this requirement will be made for applicants whose information must be protected due to domestic violence or those placed in witness protection.

It is the responsibility of the landlord to determine if the prospective resident meets his/her screen criteria. Landlords are encouraged to screen all applicants for suitability based on criteria such as rental history, eviction history, previous incidents of damage to units and/or other factors that may impact the family's suitability as a resident. Regardless of the landlords screening methodology, it must be applied to all prospective residents without regard to whether the families are assisted or un-assisted applicants.

RECORD RETENTION

Records will be kept in accordance with HUD record retention requirements. Records may be kept in hard copy or via an electronic storage system. Whichever method is chosen, files will be available for review at reasonable times and after reasonable notice by HUD, auditors and any other entity with a legitimate reason to review the file.

Records will be disposed of after the required retention period. Disposal may be by shredding, incineration or in whatever manner determined to be most efficient manner that also safeguards the personal information of families who have applied to and/or participated in PCHD's programs. PCHD's record retention policies are as follows:

- Financial records will be kept for a minimum of three years but no more than five years after the end of the calendar year.
- Applicant records will be kept for three years after the date of denial.
- Participant records will be kept for seven years from the date the family's participation in the Program ends.

CONFLICTS OF INTEREST

Housing Authority Staff and Housing Authority Board Members will avoid situations in which a conflict may be perceived. Staff and Board Members are both bound by the Pender County Personnel Policy as well as this Administrative Plan.

In order to protect staff from accusations of conflicts of interest, each staff members is prohibited from performing work on behalf of families in which a member of the family is a relative of the staff member either by blood or family association.

In addition, staff members are prohibited from working on files in which a family member of the household is related to the staff person by marriage, if the family member is a father, mother, sister, brother, grandparent or grandchild of a close family member. A close family member is defined as the staff member's immediate family including children, siblings, parents and their spouses. The prohibition includes entering or processing of applications, processing interim or annual renewals/certifications, and any activity that may affect eligibility, placement, rent determination or any other elements related to a rental assistance program.

Neither PHA Board members nor PCHD staff may act as a landlord to a voucher holder for their tenure as a Board member or employee. Persons hired, elected or appointed to work with PCHD who have existing relationships with PCHD participants at the time of hiring/appointment must transfer management of the property to a third party within 60 days of hire and to end the relationship with the program participant as soon as the lease allows. They may not entered into new relationships with program participants or applicant families with vouchers during their term of service.

Anyone associated with the Housing Authority who is found to have violated this policy will be disciplined in accordance with the impact of the action and in accordance with the Pender County Personnel Policy and may be subject to immediate dismissal.

AREAS NOT COVERED IN THIS PLAN

Program areas that may not be specifically addressed in this Plan are governed by Federal regulations included in HUD Handbooks, Notices, the Code of Federal Regulations, the Federal Register and other applicable laws and guidelines.

Chapter 2
APPLICATION PROCESSING, WAITING LIST MANAGEMENT AND ADMISSIONS

Interested families must complete an application in order to be placed on the Waiting List for the Housing Choice Voucher (HCV) Program or any Project-based Voucher (PBV) Program in the form required by PCHD and supply any documentation required to complete the application. Applications must be dated and signed by the head of household and all adult household members. Applications will be date and time stamped in an appropriate manner by PCHD. Applicants will be provided an opportunity to provide racial and ethnic information. However, applications will be processed regardless of race, color, creed, national origin, age, disability, sex, sexual orientation or familial status. The applicant's file will contain PCHD's determination of eligibility and disposition of the application once the family reaches the top of the Waiting List. Admission to the Program will be based on the eligibility of the family including the fulfillment of all documentation requirements.

PCHD has established a policy to make available a limited number of HCVs to provide "emergency" assistance to families who are victims of domestic violence who have been displaced or who are in emergency shelters specifically for such victims and for homeless Veterans who are residents of Pender County. The selection process for "emergency" assistance is briefly described in this Chapter. The criteria for these vouchers are discussed in a separate Chapter.

APPLICATIONS FOR THE HOUSING CHOICE VOUCHER PROGRAM WAITING LIST

Applications are taken for the HCV Program Waiting List and must be completed by an adult family member who will certify, subject to civil and criminal penalties, the accuracy of all statements made. All information provided will be kept private and confidential and interviews will be conducted privately to the extent possible.

All adult household members are required to sign the application and any forms granting release of information as necessary for PCHD to process applications and verify information. Households may be required to supply additional documentation to demonstrate household income, household composition or other information necessary to support the application. PCHD may reject incomplete applications including those lacking necessary signatures or those missing required documentation. Applicants will be notified in writing if their application is rejected and will be informed of the process for appealing the decision to reject an application.

Applications must be updated in writing by applicants who need to report changes in household information. It is the sole responsibility of the applicant to inform PCHD of changes in family circumstance including mailing address and any information that may affect the status of the application or the eligibility of the family.

ESTABLISHING AND MAINTAINING THE WAITING LIST

A central waiting list for the Housing Choice Voucher Program will be established from completed applications for admission to the Voucher Program. The Waiting List will be maintained electronically by way of the software system used to manage applicant and resident data. Files of applicants will be maintained in an order reasonable to support the Waiting List.

Documentation will be maintained in each file to indicate applicant name, household composition, unit size, race and ethnicity designation of the Head of Household, date and time the application was taken, eligibility determination letter, and information indicating why an applicant was or was not selected to participate in the Voucher Program.

The list will be reviewed periodically for accuracy as well as applicant interest and may be purged in the manner described in a subsequent section of this chapter.

OPENING AND CLOSING THE WAITING LIST

The Waiting List for the Housing Choice Voucher Program is opened and closed by public announcement. Announcements for the opening of the Waiting List will be made at least 30 days in advance of the opening date. The announcement will be made on PCHD's website and through a newspaper of general circulation. The announcement may also be made, when possible, through minority media, radio and through other suitable means. The same announcement will include information on when and/or how the Waiting List will be closed unless the List will be open for an indefinite period. In that case, the announcement for closing the Waiting List will be made in the same manner described for opening the List.

The announcement will describe how and when applications will be taken. Applications may be taken on-line, in person, by facsimile or in any manner as described by the announcement. Reasonable Accommodation will be made for elderly and disabled families, families with visual or hearing impairments, learning or cognitive disabilities, or other barriers, as necessary to ensure low-income families, including those less likely to access services, will have an opportunity to apply.

If the Waiting List becomes so small that there is an insufficient pool of applicants, PCHD will advertise the availability of vouchers in the same manner and following the same procedures specified previously.

If, after being opened for an indefinite period, the Waiting List becomes excessively large based on PCHD's capacity to issue vouchers either due to budget constraints or availability of vouchers with the limits of the ACC, the Waiting List will be closed until such time as more applications are needed.

REMOVAL FROM AND PURGING THE WAITING LIST

PCHD will periodically send applicants an inquiry to ensure the applicant(s) continued interest in, and need for, housing. Applicants that do not return the inquiry by the requested deadline date will have their names removed from the Waiting List. If a letter is returned as undeliverable by the Post Office, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If an applicant does not respond timely to a PCHD notice because of a family member(s)'s disability, an extension of up to 30 days to respond may be granted, if requested and need is verified, as a Reasonable Accommodation for a person with a disability. PCHD will reinstate the applicant's former position on the Waiting List, if necessary.

If the applicant refuses assistance, their name will be removed from the Waiting List.

SELECTING APPLICANTS FROM THE WAITING LIST

PCHD will contact applicants by mail when a family's name reaches the top of the Waiting List and we are able to issue a voucher. The names of applicants that do not respond to the notice will be removed from the Waiting List. As with the inquiry letters, if a letter is returned by the Post Office, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. It is the applicant's responsibility to ensure their contact information is accurate.

PREFERENCES FOR SELECTION OF APPLICANTS

Preference may be given to applicants who meet specific criteria such as residents of Pender County, veterans or senior/disabled families. If a specific preference is implemented, it will be specified in the announcement for opening the Waiting List. Applicants will be responsible for demonstrating that they are eligible for the preference through the best means available.

ADMISSION PROCESSING

Excepting any emergency housing programs, the order of admission is based on the Waiting List. The Waiting List is sorted by preferences given, if any, followed by date and time the application was accepted. Family size is not a factor in admission. If PCHD does not have sufficient funding to subsidize the family at the top of the Waiting List, that family will not be skipped. Instead, PCHD will wait until there are sufficient funds available to subsidize the family.

Changes in family circumstances may affect the family's standing while on the Waiting List only if the family is given a preference and ceases to be eligible for the preference. Applicants are required to notify PCHD in writing if their circumstances change.

VERIFICATION OF SELECTION

The method of selecting applicants from the Waiting List must leave a clear audit trail that can be used to verify that each applicant is selected according to the method specified in this Plan.

ELIGIBLE APPLICANTS

PCHD will admit only eligible applicant households to its Voucher Program. Applicants must be income eligible; must qualify as a family as defined by HUD; must be a citizen or a non-citizen who has eligible immigration status as determined in accordance with 24 CFR part 5; and meet screening criteria as described in this Plan.

INCOME ELIGIBILITY

To be income-eligible, applicant families must meet at least one of the following criteria. The family must be:

- A **Very Low-income family** – a low-income family that is continuously assisted under the 1937 Housing Act;
- A low-income family that meets additional eligibility criteria specified in this Plan, which criteria must be consistent with the consolidated plans for local government in the PHA jurisdiction;
- A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 or HOPE 2 Project;
- A low- or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an eligible low-income housing insurance contract on eligible low-income housing as defined in Section 248.173 of this title; or
- A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident home-ownership program under 24 CFR 248.173.

INCOME TARGETING

At least 75 percent of families admitted to the Section 8 Housing Choice Voucher Program during the PHA fiscal year from the Waiting List will be extremely low-income families within the parameters of its selection criteria. Annual income will be verified within the 60 day period prior to a voucher being issued to a family.

PCHD may admit a lower percentage of extremely-low income families during the fiscal year if HUD approves the use of a lower percentage, in accordance with the PHA Plan, based on HUD's determination that the following circumstances necessitate use of a lower percentage:

- PCHD opened its Waiting List for a reasonable time for admission of extremely-low income families residing in the Metropolitan Statistical Areas (MSAs) or non-metropolitan County(ies), both inside and outside PCHD's jurisdiction;
- If applicable, PCHD provided full public notice of such opening was provided to such families, and has conducted outreach to such families, including outreach and marketing to extremely-low income families on the Housing Choice Voucher Program Waiting Lists of other PHAs with jurisdiction in the same MSA or non-metropolitan County;

- Notwithstanding actions by PCHD in accordance with previous sections of this Plan, there are not enough extremely-low income families on the Waiting List to fill available slots in the program during any fiscal year for which a lower percentage is approved by HUD; and
- Admission of additional very low-income families, other than extremely-low income families, to the Housing Choice Voucher Program will substantially address worst case housing needs as determined by HUD.

ADMISSION OF FAMILIES

Families that meet additional eligibility criteria specified as consistent with the consolidated plans for local government in the PHA's jurisdiction and families that qualify for voucher assistance as a non-purchasing family residing in a project subject to a resident home-ownership program under 24 CFR 248.173 are not subject to "INCOME TARGETING" restrictions.

OVERLAPPING PHA JURISDICTIONS

Should the jurisdiction of two or more PHAs that administer the HCV Program cover identical geographic areas, the PHAs may elect to be treated as a single PHA for the purposes of targeting. In such case, the PHAs will cooperate to ensure that aggregate admissions comply with the targeting requirements.

PORTABILITY AND TARGETING

If a family leases a unit outside PCHD's jurisdiction under portability procedures at admission to the Voucher Program, the admission will be counted against the targeting obligations of the initiating PHA unless the receiving PHA absorbs the portable family into its Voucher Program at the point of admission.

INCOME FOR ELIGIBILITY AND TARGETING

The annual gross income of an applicant family will be used to determine both income-eligibility and income-targeting under the previous sections of this chapter.

INCOME LIMIT FOR VOUCHER ISSUANCE

When a family is selected for the Program, the applicable income limit for issuance of a voucher is 50 percent of area median income for PCHD's jurisdiction based on the family size. At admission, the family may only use the voucher to rent a unit in an area where the family is income eligible.

ELIGIBLE FAMILIES

The Household must meet the HUD definition of an "Eligible Family". Under HUD guidelines, a "Family":

- May be a single person or a group of persons;
- Includes families with a child or children;
- Is a group of persons consisting of two or more elderly or disabled person living together;
- Is one or more elderly or disabled persons living with one or more live-in aides; and
- Is a single elderly person, displaced person, disabled person or any other single person.

Families must also meet Citizenship or Immigration Status requirements, be within income limits and meet background screening requirements.

CONTINUALLY ASSISTED FAMILIES

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

PCHD has established a policy that a break or interruption in assistance of six months under one of the Programs is a break in continuity of assistance under the 1937 Housing Act.

STUDENT HOUSEHOLDS

Public Law 109-115, Section 327, placed restrictions on housing assistance that can be provided to students of higher education under Section 8 of the U S Housing Act of 1937. A student is someone who is enrolled either full-time or part-time at an institution of higher education as defined below. PCHD is not permitted to provide assistance to a student who is:

- Enrolled at an institution of higher education as defined under section 102 of the Higher Education Act of 1965;
- Under the age of 24;
- Not a veteran;
- Unmarried;
- Does not have a dependent child; and
- Who is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible to receive assistance under Section 8 of the U S Housing Act of 1937.

CITIZENSHIP AND IMMIGRATION STATUS

It is the applicant's responsibility to verify citizenship or eligible immigration status. In order to qualify, a family member must be a U S Citizen or an eligible immigrant. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD. Immigration status will be verified through HUD's automated Systematic Alien Verification for Entitlements (SAVE) program. The following factors apply to evaluating the eligibility status of families with non-citizen household members:

- **Individual Consideration:** The status of each family member is considered individually before the family's status is defined.
- **Mixed Families:** A family is eligible for assistance as long as at least one adult household member is a citizen or eligible immigrant. These families are considered "mixed". Applicants with "mixed" families will be given notice that rental assistance will be prorated based on the number of citizens and/or eligible immigrants. They may request a hearing if they contest the determination that the family is "mixed".
- **No eligible members:** Applicant families with no eligible household members are ineligible for assistance and will be denied admission.
- **Non-citizen Students:** As defined by regulations and HUD guidelines, non-citizen students are not eligible for assistance.
- **Appeals:** *For this eligibility requirement only*, applicants are entitled to a hearing to appeal a decision to deny assistance.

SOCIAL SECURITY NUMBERS

Prior to admission, PCHD requires that applicants must supply Social Security Numbers of all household members who are six months of age or older or provide a certification if they have not been assigned a Social Security Number. The parents or guardians of children under the age of 18 or the legal representatives of incompetent adult family members, those who have been found by a court to be incompetent to represent themselves, may execute a certification on behalf of those children or adults. The certification should include:

- The individual's name;
- A statement that the individual has not been assigned a Social Security Number by the Social Security Administration;
- A certification that the individual, the parent or guardian, or the individual's legal representative will disclose the number when one is obtained;
- The signature of the certifying individual and the date that the information is certified.

Individuals who have applied for legalization under the Immigration Reform and Control Act of 1986 will not have a Social Security Card until temporary lawful resident status is granted. However, they are assigned a Social Security Number. The letter assigning the number is acceptable verification until such time as the individual receives a card. If that documentation is not available, but the individual knows the number, a certification similar to that outlined above may be accepted.

Applicants have 30 days from the date of certification to obtain documentation verifying the Social Security Number disclosed. Elderly or disabled applicants may be granted an extension up to another 30 days.

Applicants who do not provide a Social Security Number, or do not qualify for an exception, will be denied admission. Existing residents who do not meet the Social Security Number requirements are ineligible for continued assistance and may be terminated.

CRIMINAL ACTIVITY

Eligibility for admittance and continued occupancy for the Voucher Program is based in part on criminal record. If denial of participation or continued occupancy is based on criminal record, the applicant or participant may review the criminal record and has the opportunity to dispute the accuracy or relevance of that record. When an applicant is deemed ineligible for admission due to criminal activity, prompt notification shall be sent by first-class mail. The notice will include the basis for the decision and provide the applicant with an opportunity for an informal hearing on the determination.

The existence of criminal history, in general, is not a basis for denial. Such history will be reviewed on a case-by-case basis and will be viewed within the totality of the individual's circumstances. Rehabilitation, completion of probation/parole, recommendations from probation/parole officers, whether the activity is habitual in nature, and other factors will be considered.

PCHD is prohibited from admitting families to the Voucher Program under the following conditions:

- **Sex Offender Registration:** A family may not be admitted to the HCV Program if the applicant or any household member is subject to registration as a sex offender under any State sex offender registration program (24 CFR 960.204, 24 CFR 982.553). This prohibition exists for as long as the applicant or household member is required to register including a lifetime registration requirement.
- **Manufacture or Production of Methamphetamines:** Individuals found to have manufactured or produced methamphetamines on the premises of federally assisted housing are under a lifetime ban from admission to the Housing Choice Voucher Program (24 CFR 960.204, 24 CFR 982.553).
- **Use or Abuse of Controlled Substances:** A family may not be admitted to the Voucher Program if the applicant or any household member is currently engaged in illegal drug use, alcohol abuse or has a pattern of illegal drug use or a pattern of alcohol abuse, as determined by PCHD, that may interfere with the health, safety or right to peaceful enjoyment of persons residing at the premises or residing in the immediate vicinity of the premises.
- **Eviction from Subsidized Housing:** Persons evicted from any Section 8 Program, Public Housing, Indian Housing or any Federally subsidized housing program because of drug-related criminal activity are ineligible for admission for three years beginning on the date of the eviction.

In addition, PCHD has determined that certain circumstances pose a threat to the life, health, safety and right to peaceful enjoyment of residents living in or near units subsidized by the Voucher Program. The following guidelines will be used when determining eligibility based on criminal activity and are based on the disposition date of the charge:

Crime	Eligible After
Murder, Rape	Parole Complete
Assault & Battery	2 years
Affray	1 year
Burglary	3 years
Larceny	3 years
Robbery	3 years
Misdemeanor Larceny	1 year
Breaking & Entering	3 years
Vandalism	2 years
Arson	Parole Complete
Fraud/Identity Theft	5 years
Trespassing	1 year
Trespassing – Injury to Property	2 years
Possession of Drugs	3 years
Possession with Intent to Sell/Distribute	5 years
Use of Illegal Drugs	3 years
Alcohol Abuse on Federally subsidized property	3 years
Domestic Violence	3 years

The final determination will be based on both the guidelines as outlined above and the pattern of behavior of the household member as indicated by his/her criminal record with consideration to continued concerns that certain activities pose a threat to the life, health, safety and right to peaceful enjoyment of residents living in or near units subsidized by the Voucher Program.

The guidelines for criminal activity are also applicable to participant families' eligibility for continued occupancy after being placed on the HCV Program and will be impacted by a preponderance of evidence that prohibited activity has occurred even when criminal charges are not filed.

WAIVER OF GUIDELINES FOR "SECOND CHANCE" EX-OFFENDERS

PCHD has discretion to waive the guideline above in the case that there is relevant information indicating a reasonable probability that a proposed household member who is an ex-offender and who has paid his or her debt to society will conduct himself or herself in a favorable manner in the future. We are aware that ex-offenders who are stably housed show lower rates of recidivism. Therefore, PCHD will consider a family's past participation or willingness to participate in rehabilitation, supportive services for ex-offenders, counseling programs and other relevant factors in determining whether to waive guidelines restricting ex-offender's access to subsidized-housing programs.

WAIVER OF REQUIREMENTS RELATED TO DRUG-RELATED CRIMINAL ACTIVITY

PCHD may waive requirements against admission if the family member demonstrates successful completion of a drug-rehabilitation program approved by PCHD, or the circumstances leading to the eviction from previous subsidized housing no longer exists. For example, the individual involved in drugs is no longer in the household because the person is incarcerated. However, heads of household are responsible for behavior of family members and guests in their unit. The Head of Household's overall action or inaction in regard the behavior of an offending household member or guest will be considered.

APPLICANTS WHO OWE MONIES ASSOCIATED WITH SUBSIDIZED HOUSING PROGRAMS

PCHD must deny admission to any family in which a family members owes rent or other charges to any Public Housing Agency (PHA), any agency administering a Section 8 program for any previous residency, including amounts paid to an Owner (Landlord) by the Housing Agency for rent or damages to a unit.

PCHD may also deny admission to any family that has been evicted by an Owner/Landlord for rent or damages for a previous residence that was incurred while participating in another Federally-subsidized housing program with this or any other PHA or any agency administering a Voucher program.

PCHD will not accept portability of a client from another PHA who owes money to that PHA or any other PHA.

Families that owe money to any Federal, State or local housing program, including PCHD, must pay the balance in full and complete any other necessary requirements before they may be served in a PCHD administered housing program. Necessary requirements include a minimum three year waiting period subsequent to an eviction from a subsidized unit.

OTHER HUD REQUIRED CRITERIA AS GROUNDS FOR DENIAL OF ADMISSION

Families may also be denied assistance if they have a household member(s) who has violated family obligations as outlined in the Voucher, including family members that:

- Refuse to sign and submit consent forms for obtaining information relative to their participation in assisted housing programs, including signing a consent form permitting PCHD to obtain a copy of their police records.
- Violated any family obligations during any previous tenancy under any assisted housing program.
- Did not provide information as required within time frames given by the Housing Agency.
- Committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program, including illegal drug activities.
- Have been evicted from public housing or had their housing assistance terminated for reasons such as those listed above.

When PCHD denies assistance to an applicant with a disability, the applicant may request a review of the family obligation that was violated to determine if the violation was a result of the disability. An exception may be granted by PCHD if the family member who violated the family obligation is not a current member of the household on the application.

OTHER HOUSING PROGRAMS ADMINISTERED BY PCHD

PCHD may also deny admission to any family in which a family member has been evicted, violated lease terms, family obligations or other guidelines while participating in any assisted housing program administered by PCHD. An exception may be granted if the family member who committed the violation is no longer a member of the household.

APPLICANT ELIGIBILITY DETERMINATION

PCHD must receive information verifying an applicant's eligibility within the 60 day period prior to issuing a voucher. PCHD will review the information and determine eligibility based on HUD guidelines for the HCV Program. If eligibility cannot be determined within 60 days, all information used to determine eligibility must be updated before a final determination may be made.

ELIGIBLE APPLICANTS

PCHD will notify eligible applicants of their status in writing. Eligible applicants must attend a briefing on the voucher program prior to receiving a voucher. Applicants who do not attend a briefing will not be issued a voucher and may be denied assistance.

INELIGIBLE APPLICANTS – Informal Review

PCHD will notify applicants found to be ineligible, of its determination in writing. The notice will inform the applicant of his/her right to request an informal review regarding the determination within 10 days from the date of the notice. Informal reviews are intended to provide a "minimum hearing requirement" [24 CFR 982.554]. PCHD will only offer an Informal Review to applicants for whom assistance is being denied.

Informal reviews may be granted for the following:

- Denying listing on PCHD waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures
- Denial of assistance based on an unfavorable history that may be the result of domestic violence, dating violence or stalking. (See Section 3-III.G.)

Request for an informal review must be made in writing. The request must be accompanied by documentation supporting the applicant's dispute of the findings. The burden of proof is on the applicant to demonstrate eligibility. When denial is based on criminal record, the applicant may provide alternate documentation to dispute the findings including verification of identity theft, removal of an offending household member or other relevant documentation.

All reviews will be performed by the Director or a person designated by the Director. The designated person may not be the person who made or approved the decision that is being reviewed and may not be a subordinate of that person. Records of all review will be kept with the applicant file and will be available for inspection or review in accordance with current HUD guidelines.

The person conducting the review will make a recommendation to PCHD, but PCHD is responsible for making the final decision as to whether assistance should be granted or denied.

After the informal review, PCHD will notify applicants of its decision in writing.

CHANGES IN ELIGIBILITY PRIOR TO VOUCHER ISSUANCE AND PRIOR TO LEASE UP

Applicants are not automatically eligible for the HCV Program. Changes that occur during the period between placement on the Waiting List and issuance of a Voucher may affect the family's eligibility. Changes that occur after a Voucher is issued and prior to lease-up may also impact eligibility. All changes in income, household composition, assets, student status or other changes within the household must be reported immediately so that the impact of the change may be evaluated and eligibility of the family re-determined.

For example, a family has been issued a Voucher. The head of household gets a new job. Including the new employment income, the family's gross income exceeds the HUD established income limits or the family's monthly adjusted income is sufficient to pay the rent. Based on the change in household income, the family is no longer eligible for the HCV Program. Even if a voucher has been issued, the family may not be leased up under the program and assistance must be denied.

Families who become ineligible at any point in the process will be notified in writing of their status and their right to an informal hearing, as stated in the section on **INELIGIBLE APPLICANTS** above.

Failure to report changes may be considered fraud and can result in both termination of any contract executed based on the inaccurate information and, depending on the severity of the lapse in reporting, legal action may be taken against the applicant or participant. North Carolina General Statute 15 § 157-29.1 makes it a crime under North Carolina law to knowingly misrepresent information to Housing Authorities and other Agencies in order to receive rental assistance.

SPECIAL ADMISSION: HUD Provided Funds for Displaced Families

PCHD may admit eligible families without putting them on the Waiting List or without regard to Waiting List position in two instances. In the first instance, families may be admitted without regard to the Waiting List when HUD has provided funds for households meeting specific criteria including but not limited to:

- Families displaced because of demolition or disposition of a public housing unit;
- Families residing in a multi-family rental housing project when HUD sells, forecloses or demolishes the project;
- For housing covered by the Low-income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 et. seq.);
- A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173);
- A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract on a HUD-financed project;
- A family residing in a project-covered by a Project-based Section 8 HAP Contract at or near the end of the HAP Contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 Project.

PCHD will maintain records showing any families that were admitted with HUD-targeted assistance and demonstrating that the assistance was used for families in targeted units.

SPECIAL ADMISSION: Emergency Assistance for Domestic Violence Victims

Based on established criteria, PCHD will make available up to five HCVs to assist in providing housing for families who are victims of Domestic Violence and who meet the criteria outlined in Chapter 9.

SPECIAL ADMISSION: Emergency Assistance for Homeless Veterans

Based on established criteria, PCHD will make available up to five HCVs to assist in providing housing for Homeless Veterans who meet the criteria outlined in Chapter 9.

Chapter 3
VOUCHER ISSUANCE AND LEASING

Under the Housing Choice Voucher (HCV) Program, PCHD will issue vouchers to eligible households. Receipt of a voucher does not guarantee a family assistance under the program. Families must abide by the program guidelines including those for finding a suitable unit that will pass Housing Quality Standards (HQS). Eligible families who receive a voucher but who choose to lease an ineligible unit may not be admitted as a participant to the program. In that case, the voucher will expire and another family will be chosen from the waiting list.

VOUCHER ISSUANCE

When issuing a voucher, PCHD expects that funds will be available to pay for the voucher. The size of the voucher issued is based on the household's composition and PCHD's subsidy standard as outlined later in this chapter. However, should circumstances occur that PCHD is unable to pay for the voucher, the voucher will be withdrawn and the family will be returned to the Waiting List.

EXPIRATION AND EXTENSION

Vouchers are issued to eligible applicants for an initial period of 60 days to allow families to find suitable units to rent.

Unless otherwise notified in writing, applicants may request an extension to their voucher for up to an additional 60 days. Extensions are granted in 30 day increments. Under no circumstances may a Voucher be issued for a period to exceed 120 days. If PCHD determines that it is necessary to limit the availability of extensions, applicants receiving vouchers will be notified of the limitation in writing.

Requests for extensions must be made in writing to PCHD. Extensions are not granted automatically. In order to receive an extension, the family must demonstrate that it has made a diligent effort to find a suitable unit. Families who have not made an effort to locate a suitable unit within the time initially allotted will not qualify for an extension. It is the family's responsibility to document their efforts to locate affordable rental housing that will pass HQS inspection.

If the family is unable to lease up within the time allotted, the voucher will expire and the family must re-apply to the Waiting List, when open, if they wish to receive assistance.

PAYMENT STANDARD

Payment standards for the HCV Program are set in accordance with HUD program guidelines and within the guidelines established by this Plan. PCHD is permitted to establish a payment standard between 90 percent and 110 percent of Fair Market Rent (FMR) as published by HUD for Pender County. The Board approves the payment standards for the Voucher Program. The payment standard is currently 95 percent of the area's FMRs.

The payment standard is not the amount that PCHD will pay on behalf of a family, rather is it a cap or the maximum contribution PCHD can pay to assist an income eligible family with rent. The formula for the determining how much assistance may be paid for a family consists of several parts. The payment standard is one part of the formula.

TENANT BRIEFING

Applicants must attend a briefing that provides information on the program and on use of the voucher before a voucher may be issued. PCHD conducts briefings periodically during the year as needed.

REQUEST FOR REASONABLE ACCOMMODATION

An elderly or disabled household may request an accommodation for a higher payment standard or for an extension to their voucher as a means to assist the family in leasing a suitable unit. PCHD may approve an exception to the current payment standard up to 110 percent of the FMR. A request for an extension may be approved provided the total time allotted does not exceed 120 days.

SUBSIDY STANDARDS [24 CFR 982.54(d)(9)] AND DETERMINING VOUCHER SIZE

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. The number of bedrooms indicated on the vouchers is equivalent to a dollar figure and does not limit the family in its choice of suitable housing. It limits the amount of assistance that may be paid on the family's behalf. For budgeting purposes, it is PCHD's general policy to allow one bedroom for every two people in a household.

However, family circumstances may be considered on a case-by-case basis. The following are basic guidelines are considered when determining voucher size:

- Children of the opposite sex who are under the age of seven may share a bedroom.
- Foster children are not included in determining voucher size.
- When there is a verified need, the voucher will include an allotment for a separate bedroom for a live-in aide. Only one bedroom may be allotted. No additional bedrooms will be allotted for an aide's family or for multiple aides who may rotate duties/shifts.
- Disabled family members may be consider for a separate bedroom if there is a medical need for a separate bedroom. The need must be verified by a medical professional who is knowledgeable of the family's situation and the individual's medical condition.
- Single person families shall be allocated one bedroom.

PCHD's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

EXCEPTIONS TO SUBSIDY STANDARDS

PCHD may grant exceptions from the subsidy standards if the family requests a reasonable accommodation and we determine that the exception is justified by individual circumstances, such as the need of a minor for separate accommodations when he/she has been a victim of domestic violence or abuse.

PCHD may grant an exception as an accommodation for persons with disabilities for a verified medical or health reason. Requests based on health related reasons must be verified by a knowledgeable medical professional and may be re-verified annually.

PCHD will not increase a voucher size due to additions of family members other than by birth, adoption, or court-awarded custody of a child. The voucher size may be increased due to marriage only when minor children will join the new spouse in the household, provided that spouse has primary physical custody of the children. Even then, a voucher size may only be increased when the subsidy standards for the family's current voucher size are exceeded.

CHANGES IN THE VOUCHER SIZE

When a voucher size change warranted, it is implemented on the effective date of the next the Annual Recertification or move to a new unit, whichever comes first, regardless of whether the voucher size increases or decreases in accordance with our subsidy standards.

HOUSEHOLD CHANGES FOR APPLICANTS

The voucher size is determined by comparing the family composition to the PCHD subsidy standards. If an applicant requires a change in the voucher size, the above referenced guidelines will apply.

ADDITION OF HOUSEHOLD MEMBERS: MINORS

PCHD must approve all household members living in a subsidized unit. HUD guidelines state that children may be added to households by birth, adoption or court-awarded custody.

Both applicants and current participants wishing to add minor children to their application who are not their biological children must provide proof of legal custody for said children. Such proof includes court orders of custody, protective custody orders from the Department of Social Services, and other legal agreements that grant the guardian rights and responsibilities for the minor child(ren).

Foster children are not considered household members for the purposes of the program, but families must show proof of custody for foster children placed in their care.

ADDITION OF HOUSEHOLD MEMBERS: ADULTS

PCHD must approve all household members who will be living in a subsidized unit. Applicants and participants must obtain approval of any additional adult household member ***before*** the new member is permitted to occupy a unit. For current participants, the Landlord must also approve the addition of another adult to the household before that person may move in.

UNIT SIZE SELECTED

Families may select a unit size different from the number of bedrooms listed on the Voucher provided it does not result in overcrowded conditions pursuant to HQS standards and does not result in a rent burden more than 40 percent of the family's monthly adjusted gross income. The payment standard is used to determine affordability. It will be applied based on the smaller of either the voucher size issued to the family or the payment standard for the unit size selected by the family.

HOUSING QUALITY STANDARDS (HQS) GUIDELINES FOR UNIT SIZE

	Maximum # of People in Household		
0 Bedroom	1	4 Bedroom	10
1 Bedroom	4	5 Bedroom	12
2 Bedrooms	6	6 Bedroom	14
3 Bedrooms	8		

If, after the initial lease term, a unit does not meet HQS space standards due to an increase in family size (unit too small) and the family wishes to move, PCHD may issue a new voucher and allow the family to locate a suitable unit.

The HQS standard is a guideline based on the number of sleeping rooms in a unit. This is not the same as the subsidy standard. If the family exceeds the recommended standard for household size but the participant prefers to remain in place and the landlord agrees to continue renting to the family, then PCHD may not require the family to move.

EXPANDING HOUSING OPPORTUNITIES

In order to ensure families have opportunities to locate and rent units outside of areas with higher concentrations of poverty, families are provided with the following information and materials:

- **Portability:** For a family that qualifies to lease a unit outside the PCHD jurisdiction under portability procedures, the information includes an explanation of how portability works including a list of neighboring housing agencies with the name, address and telephone number for use by families who move under portability.

- **Landlord Information:** A list of landlords or other parties willing to lease to assisted families or help in the search, including parties who are willing to lease units or help families find units outside areas of poverty and or minority concentration.
- **Map:** A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.
- **Outreach Information:** Information regarding the PCHD's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

If the family includes a person with disabilities, notice that the PCHD will provide a list of any accessible units known to the PCHD, if any.

RENT TO THE OWNER

It is the applicant/participant's responsibility to negotiate with the landlord to reach an agreement on the contract rent for a unit. PCHD may assist the family when necessary. Once the owner and applicant/participant have determined an amount acceptable to the owner that is also affordable for the family, the amount may not be increased without written agreement from the PCHD.

Rent increases may be effective on the first day of the anniversary month that the tenant moved in to the property. Owners must follow the terms of the Housing Assistance Payment Contract when requesting rent increases, which states that increases must be requested at least 60 days in advance of the renewal date.

RENT REASONABLENESS

PCHD may not approve a lease for a unit until the rent is determined to be reasonable. Rent reasonableness will be reviewed using a variety of information available in the market to ensure that rent for subsidized units does not exceed the market rate for units of similar location, size and type with comparable amenities. PCHD requests information from landlords, realtors and uses other publicly available information such as listings from print ads and on-line real estate databases to review rent reasonableness.

Rent reasonableness must be re-determined under the following circumstances:

- Before approving an increase in the rent to the owner;
- Whenever there is a five percent decrease in the published Fair Market Rent (FMR) effective 60 days before the contract anniversary date as compared to one year before the contract anniversary date; or
- If directed to do so by HUD.

Rent reasonableness may be re-determined at other times depending upon changes in the market and the FMR. At all times during a tenancy, the rent to the owner may not exceed the reasonable rent as most recently determined or re-determined by PCHD.

OWNER CERTIFICATION OF RENT REASONABLENESS

By accepting the housing assistance payment each month, the owner/landlord certifies that the rent to the owner is not more than rent charged by the owner for comparable, unassisted units in the area/project. The owner is required to give PCHD any information requested on rents that he/she charges for other units of similar size, type and location in a particular project, premises or elsewhere.

ROOM AND BOARD

The cost of meals or supportive services (room and board) may not be included in the rent. These also may not be included in determining reasonable rent. The lease may not require the resident or family members to pay for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

OTHER FEES AND CHARGES

The owner is prohibited from charging fees or surcharges for extra items that are customarily included in the rent or are provided at no additional costs to unsubsidized residents. Prohibited charges include, but are not limited to, charges for:

- Basic appliances such as stoves and refrigerators that are normally provided by the owner;
- Charges for additional services, such as lawn service, when the resident does not have the option to provide the services for his/herself;
- Any charges not usual and customary for the area that effectively increase the rent to the owner beyond the amount agreed upon during the negotiation process.

UTILITY ALLOWANCE

PCHD maintains a utility allowance schedule for all resident paid utilities including gas, electric, water, sewer and trash. Cost consideration is also given for the maintenance of resident supplied refrigerators and ranges/stoves. PCHD makes a preliminary review of market information at least annually and uses an independent contractor to revise utility allowances, typically annually, in accordance with HUD requirements.

The utility allowance schedule is determined based on typical costs for utility and services paid by households of similar size and type in Pender County. The contractor considers normal patterns of consumption and current utility rates when developing the schedule.

The utility allowance is part of the budgeting process for determining affordability at initial lease-up. It is also used to determine the amount of assistance paid on behalf of the family. It is not the amount of utilities paid by a family. It is not a specific amount paid by PCHD for a family.

The utility allowance used for a family includes the utilities and services necessary to meet Housing Quality Standards for a rental unit. The schedule classifies utilities and services according to general categories of heating, air-conditioning, cooking, water-heating, general electric usage, water, sewer, trash collection and resident-supplied refrigerators or stoves.

The allowance used for a particular unit is based on the information disclosed by the landlord and resident about the utilities for the unit. HUD permits Housing Authorities to determine the utility allowances based on the smaller of either the unit size or the family's voucher size. PCHD will use the best available information to determine an accurate utility allowance for each resident.

UTILITY REIMBURSEMENT PAYMENT (URP)

When the utility allowance exceeds a family's total tenant payment (TTP), PCHD will issue an URP on behalf of the family. It is PCHD's policy to send URPs directly to the primary utility company, generally the electric utility supplier. Participants are responsible for providing current account numbers to PCHD in order to facilitate payment on the account.

Generally, the URP is not sufficient to pay the entire utility bill. Families are responsible for paying all remaining amounts due on utilities in a timely manner. Families who do not pay utility bills are in violation of program requirements and risk termination from the program.

LIABILITY FOR UTILITIES

PCHD is not responsible for providing utilities for applicants/participants and is not liable for a resident or landlord's failure to supply utilities.

SECURITY DEPOSIT

PCHD has no jurisdiction over the collection of Security Deposits for HCV Program applicants/participants. Landlords are permitted to collect Security Deposits that are reasonable in relationship to private market practices but may not collect deposits from assisted families in excess of amounts charged to unassisted families.

Landlords must follow North Carolina State law in the management of Security Deposits and in accordance with the terms of the lease. Deposits may be used for reimbursement of resident-caused damages (in excess of normal wear and tear), unpaid rent payable by the resident or for other amounts payable by the resident under the terms of the lease.

Residents are not permitted to damage units in excess of normal wear and tear. Residents are expected to return the unit to the landlord in the same condition in which it was received. The Security Deposit is the resident's guaranty that the unit will be returned in good condition.

When damage in excess of normal wear and tear is found at move-out or if other amounts are owed, the landlord must give the resident a written reconciliation of all amounts deducted from the Security Deposit and refund any balance remaining within 30 days, unless a longer period is specified by State or local law.

If the Security Deposit is not sufficient to cover amounts owed by the resident, the landlord may seek collection of the balance from the resident. Participants in the HCV program are expected to pay amounts owed to the owner and be in good standing with program requirements at all times.

REQUEST FOR TENANCY APPROVAL

At voucher issuance, PCHD provides families with a *Request for Tenancy Approval* (RFTA) form, HUD form 52517. The form is the initial contact with a potential landlord and requests information relative to the unit. The information requested on the form is necessary in order for PCHD to determine whether a unit is affordable for a family. Forms must be complete including contact information for the owner in case PCHD has questions. Inaccurate information can impact the determination. Incomplete forms may be rejected.

If the proposed unit is not affordable based on the information provided, PCHD will notify the family and the owner. If the owner agrees to make changes in rent or utilities so that the unit is affordable for the family, PCHD will move forward with the process and schedule the unit for inspection. Once an agreement on the rent, utilities and/or lease terms is reached, the owner is not permitted to change the terms (such as increasing the rent to the owner) without PCHD's approval.

If the leasing conditions cannot be adjusted such that the unit is affordable, PCHD will request that the family continue the search for an affordable unit. A new RFTA will be given to the family. PCHD will notify applicants/participants whether a unit is affordable as soon as reasonably possible.

HQS INSPECTION

Once an affordable unit is identified, PCHD will schedule an HQS inspection. PCHD will not inspect units that have not been approved as affordable for an applicant/participant. A unit is not approved for lease-up until it is both affordable and has passed an HQS inspection. If the unit passes inspection and all other requirements have been met, the applicant/participant may lease-up.

FAMILY SHARE AT INITIAL OCCUPANCY

PCHD is capped in the amount it can contribute for rental assistance by the payment standard. The family's share is also capped by the amount of household income. Applicants/participants are required to pay 30 percent of their adjusted gross household income toward gross rent (rent and utilities). Families are permitted to pay up to 40 percent of their adjusted household income toward gross rent. However, the family's share may not exceed 40 percent of the household income at initial occupancy. PCHD refers to this as "the 40 percent rule".

The 40 percent rule is effective for all applicants/participants leasing a unit, whether the family is a current participant who is moving to a new unit or a new voucher holder leasing up on the program for the first time.

The household income is determined using information disclosed by the family and verifications obtained within the 60 day period prior to issuing the voucher or later if the family has experienced changes. Income is verified through the process described in Chapter 4.

FAMILY SHARE OF RENT AFTER INITIAL OCCUPANCY

After the initial occupancy, when the family continues to occupy the same unit, the participant's share may exceed 40 percent of the household income. PCHD continues to be capped in the amount we can contribute for rental assistance by the payment standard. The family share is the approved contract rent amount less the assistance payment to the owner.

MINIMUM RENT

PCHD has established a minimum rent for families in accordance with HUD guidelines. The minimum rent is $50, unless HUD permits Housing Authorities to adjust the minimum rent. Should an adjustment in the minimum rent occur, a public notice would be published notifying interested parties of the change 30 days in advance of its effective date.

Under extraordinary circumstances, families may be granted a hardship exemption to the minimum rent requirement subject to a written request for an exemption when a financial hardship might result in eviction from a unit due to the family's inability to pay the minimum rent. The exemption applies only to the minimum rent requirement and not to any other element used to calculate the total tenant payment.

Financial hardships may include:

- When, for reasons beyond its control, a family has lost eligibility or is waiting for an eligibility determination for a Federal, State or local assistance program.
- When a family would be evicted as a result of non-payment of the minimum rent.
- When the family's income decreases due to changes such as the death of a family member or other circumstances that result in a loss of the primary income for the household and could result in eviction for nonpayment of the minimum rent.
- Other circumstances determined by PCHD or HUD.

PCHD will determine if the hardship is temporary or long-term. If the hardship is long term, PCHD may waive the minimum rent requirement for as long as the situation continues. If temporary, PCHD may waive the minimum rent for a maximum of 90 days beginning the month immediately following the date of the family's request for an exemption.

At the end of the waiver period, PCHD must reinstate the minimum rent requirement retroactive to the date of the suspension. When the suspension of minimum rent results in an overpayment of assistance, the family will be offered reasonable repayment terms.

If PCHD later determines that no hardship exists, PCHD will immediately reinstate the minimum rent requirement retroactive to the date of the suspension. The family must repay the overpaid assistance pursuant to terms and conditions established by PCHD.

HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT

The HAP Contract is between the owner and PCHD. Once a unit has been approved for lease-up, execution of the HAP Contract is required in order for the family to be a program participant in the owner's unit. By executing the contract, the owner agrees to lease the unit to the eligible family and abide by the terms of the contract which details the Housing Choice Voucher Program requirements. PCHD agrees to make monthly housing assistance payments to the owner on behalf of the family.

The HAP Contract contains information relative to the performance requirements for all three parties in the relationship: the participant, the landlord and PCHD. The terms of the lease and the terms of the HAP Contract must be the same. Owners agree to abide the contract and certify that they are in compliance with the contract every time they accept a payment from PCHD.

An initial term of 12 months is required unless a shorter term is approved as a reasonable accommodation for the family. After the initial lease term, the terms of the contract roll over annually provided the lease also rolls over. Written extensions are not required. However, if the landlord executes a new lease, a new HAP Contract is also required.

EXECUTION OF THE HAP CONTRACT

PCHD and the owner must execute a HAP Contract within 60 calendar days from the beginning of the lease term for approved tenancies. No assistance payment may be paid to the owner until the HAP Contract has been fully executed.

If the HAP Contract is not executed by the owner and PCHD within 60 days, the contract is void and no assistance payment may be paid to the owner.

PAYMENT OF HOUSING ASSISTANCE TO THE OWNER

PCHD will pay rental assistance payments directly to the owner or his/her legal representative. Payment may be made by check or by direct deposit, if direct deposit is available. Payments are made in accordance with the terms of the HAP Contract and may only be paid during the lease term, including extensions, while the family is residing in the unit. Payment to the owner ceases on the date the family stops residing in the unit, the effective date of the termination of a family's participation in the program or the effective date of termination of the Housing Assistance Payment Contract, as applicable.

PAYMENT OF HOUSING ASSISTANCE FOR UTILITY REIMBURSEMENT

If the family qualifies for a Utility Reimbursement Payment (URP) as part of the housing assistance payment, PCHD will pay the primary utility supplier directly. In Pender County, this will generally be the electric utility supplier. The family will receive notice of the initial URP amount and will receive written notice of any changes in the URP amount.

AMOUNT OF HOUSING ASSISTANCE PAYMENT TO THE OWNER

The monthly housing assistance payment to the owner is determined by PCHD in accordance with HUD regulations and other requirements. Assistance payments are based on household income. As a result, if the household income varies, the amount of the payment may vary during the term of the contract.

Assistance payments are not guaranteed. Payments are made based on "need" or eligibility of the family based on household income. Assistance payments are also subject to termination based on changes in the Federal budget that impact the budgets of Housing Authorities and which may result in a reduction or other change in PCHD's portfolio of assisted families.

OVERPAYMENT OF RENT TO OWNER

The total amount of the rent paid by the family plus the housing assistance payment to the owner may not exceed the agreed upon rent to the owner. If an overpayment occurs, the owner must immediately return any excess payment to PCHD.

The owner may not demand or accept any rent payment from the resident in excess of the approved rent to the owner. If the resident overpays, the excess rent payment must be returned immediately.

ON-TIME PAYMENT OF ASSISTANCE

PCHD will make every effort to pay assistance when it is due to the owner. PCHD is not liable for penalties due to late receipt of payments that occur due to factors beyond its control. However, the HAP Contract provides for payment of late fees or penalties, in accordance with generally accepted practices, when payment is late due to negligence on the part of PCHD.

LEASE AGREEMENTS

There may be one (and only one) active lease agreement between an owner and the resident. New leases may only be executed at the expiration, termination or rescission of a previously existing lease. The terms of the lease must parallel the terms of the HAP Contract. All lease terms, amendments and attachments, including rent and lease-up specials, must be disclosed to PCHD. Any benefits from lease-up specials must be applied to the rental assistance payment before being applied to any amounts due from the resident.

Secondary lease agreements, undisclosed amendments and side agreements to the lease are considered a violation of program guidelines and may be considered fraud under the terms of the program.

LOT RENT FOR OWNER-OCCUPIED MANUFACTURED HOUSING

Applicants who own a mobile home but pay rent for the lot may be eligible for assistance with the lot rent. Eligibility will be determined using the same criteria as would apply to any applicant household.

RENTING FROM FAMILY MEMBERS

Applicants/participants are prohibited from renting from owners who are the parent, child, grandparent, grandchild, sister or brother of any member of the household, unless PCHD determines that approving the unit provides a reasonable accommodation for a family member who is a person with disabilities. A request for a reasonable accommodation must be made and reviewed for approval in accordance with previously stated PCHD policies.

RIGHT TO PARTICIPATE

Nothing in this Chapter, this Administrative Plan or the rules related to the HCV Program gives an applicant, participant or owner the right to participate in the program. Families must be eligible to participate at all times, including choosing an eligible rental unit and remaining in compliance with program requirements. Owners must sign the HAP Contract, abide by the terms of the contract and maintain units that are eligible per HUD requirements for Housing Quality Standards (HQS) at all times.

Chapter 4
ELIGIBILITY AND CONTINUED ASSISTANCE

Eligibility for the Housing Choice Voucher Program (HCV Program) is based on HUD guidelines. Within the parameters outlined by HUD, PCHD establishes policies and procedures for verify eligibility to ensure that program requirements are met by verifying household composition, income, assets and expenses. Adjustments and exclusions are based on HUD guidelines. The information in this chapter applies to applicants and participants and includes guidelines for continuation of assistance.

ELIGIBLE FAMILIES

A household must be composed of an eligible family. The definition of an eligible family is broad under HUD guidelines. As stated in Chapter 2, a "Family":

- May be a Single person or a group of persons;
- Includes families with a child or children;
- Is a group of persons consisting of two or more elderly or disabled person living together;
- Is one or more elderly or disabled persons living with one or more live-in aides; and
- Is a single elderly person, displaced person, disabled person or any other single person.

STUDENT HOUSEHOLDS

As stated in Chapter 2, Public Law 109-115, Section 327, places restrictions on housing assistance that can be provided to students of higher education under Section 8 of the U S Housing Act of 1937. PCHD is not permitted to provide assistance to a student who is:

- Enrolled at an institution of higher education as defined under section 102 of the Higher Education Act of 1965;
- Under the age of 24;
- Not a veteran;
- Unmarried;
- Does not have a dependent child; and
- Who is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible to receive assistance under section 8 of the U S Housing Act of 1937.

A student is someone who is enrolled either full-time or part-time at an institution of higher education as defined above.

The burden of proof is on the family to show that the household qualifies for assistance. Existing households who are student households under this rule are not grandfather in under the law and assistance must be terminated unless the family can demonstrate that they are otherwise eligible for the program.

TEMPORARILY ABSENT FAMILY MEMBERS

Families may include members who are temporarily absent from the household. It is up to PCHD and the family to determine when a family member is temporarily absent. Such absent family members may include:

- A child or children who are temporarily away from the home because of placement in foster care;
- Adults, other than the head of household, who are temporarily away due to hospitalization or temporary residing in a nursing home/rehabilitation facility;
- Adults, other than the head of household, who are temporarily away due to employment, such as military spouses stationed away from home.

VERIFICATION OF CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

Verification of this information is described in Chapter 2. All individuals requesting to be added to currently participating families are subject to the same verification requirements as are new applicants.

- Citizens or U S Nationals are required to sign a declaration under penalty of perjury.
- Eligible immigrants who are current participants and were age 62 as of June 19, 1995 are required to sign a declaration of eligible immigration status and provide proof of age.
- Non-citizens with eligible immigration status are required to sign a declaration of status and a verification consent form. They are also required to provide their original immigration documents to be copied by PCHD staff. Originals will be returned to the family.

- Ineligible family members, who do not claim to be citizens or eligible immigrants, must be listed on a statement of ineligible family members that is signed by the head of household or his/her spouse.
- Non-citizen students on student visas are ineligible household members, even though they are in the country lawfully. They must provide their student visa but their status will not be verified and subsidy will be prorated to exclude such household members.

If a family member fails to sign required declarations and consent forms or provide required documents, he/she will be listed as an ineligible household member.

DOCUMENTS USED FOR VERIFICATION OF IMMIGRATION STATUS

PCHD is required to review and photocopy original INS documents to verify eligible immigration status pursuant to 24 CFR 5.510(b). PCHD will accept the following as evidence of eligible immigration status:

- Permanent Resident Alien Card (I-551)
- Conditional Resident Card with valid dates (unexpired)
- Employment Authorization Card with valid dates (unexpired)

TIME FOR VERIFICATION

For applicants, verification of citizenship or eligible immigration status occurs at the same time as verification of other eligibility factors.

For participants, verification of citizenship or eligible immigration status must be done at the first regular recertification after June 19, 1995.

For family members added after a family is placed on the program, verification should occur prior to the proposed family member being added to the household but must occur no later than the first recertification of eligibility after the new family member moves in.

For families porting in to PCHD's jurisdiction, if the family's status has been verified by the initiating PHA, then PCHD does not have to repeat the verification unless the initiating PHA does not provide copies of the necessary documents with the portability package.

EXTENSION OF TIME TO PROVIDE DOCUMENTS

PCHD allows up to 30 days for families to provide documents necessary to verify immigration status. Extensions may be granted based on individual circumstances.

CHANGES IN HOUSEHOLD COMPOSITION

Applicant families must report all changes in household composition as they occur. Household composition affects PCHD ability to issue vouchers and lease up families. Families that receive vouchers or are leased up based on false or inaccurate household information are subject to denial of assistance or termination and will be required to repay all assistance received under the circumstances.

Participant families must report changes in household composition within 10 days of the change. Failure to report changes in household composition in an accurate and timely manner may result in termination of rental assistance. Families receiving assistance based on false or inaccurate household information

ADDITION OF HOUSEHOLD MEMBERS: MINORS

Participants wishing to add minor children to their household who are not their biological children must provide proof of legal custody for said children. Such proof includes court orders of custody, protective custody orders from the Department of Social Services, foster-care contracts and other legal agreements that grant the guardian rights and responsibilities for the minor child(ren). Participants must provide a copy of the legal agreement for custody along with a copy of the Birth Certificate and Social Security card for the child being added to the household.

ANNUAL HOUSEHOLD INCOME

Annual income means all amounts, including cash, goods and services, that are received by or are paid on behalf of any member of the household including the head-of-household, spouse (even if temporarily absent) or to any other household member (even if temporarily absent), or all amounts anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date. This includes income from self-employment or a family owned businesses. Annual income means all amounts that are not specifically excluded by regulation.

INCLUDED INCOME

Annual income includes, but is not limited to:

- The full or gross amount (before any payroll deductions) of wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for services all adult household members, excepted as specifically excluded in other sections in this Chapter;
- Net income from operation of a business or profession. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided by the Internal Revenue Service regulations. Expenditures for business expansion or amortization of capital indebtedness are not an allowable deduction. Any withdrawals of cash or assets from the business will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- Interest, dividends and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not an allowable deduction. Any withdrawals of cash or assets will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from the assets or a percentage of value of the assets based on the current passbook saving rate as determined by HUD;
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and any other similar types of periodic payments, including prospective monthly amounts for delayed start of a periodic payment or, when allowed by HUD guidelines, lump-sum amounts received in lieu of periodic payments for any household member;
- All payments in lieu of earnings, such as Unemployment Benefits and disability compensation, worker's compensation and severance pay (except as specifically excluded per other sections of this Chapter);
- Welfare Assistance through Temporary Aid to Needy Families (TANF), also known as Work First, or similar programs including the amount of the allowance or grant plus the maximum amounts that may be specifically designated for shelter and utilities even if that amount for shelter and utilities is subject to adjustment by the agency in accordance with the actual cost of shelter and/or utilities. If the family's welfare assistance is ratably reduced from the standard by applying a percentage based on a standard of need, then the amount calculated under this paragraph is the amount resulting from ONE application of the percentage;
- Alimony, child support and any other periodic, determinable allowances;

- Regular contributions or gifts received from organizations or persons not residing in the unit;
- All regular pay, special pay and allowance of a member of the Armed Forces (except as specifically excluded in this chapter);
- Financial Aid in excess of amounts received for tuition including federal Work Study, Pell Grant, Federal Supplemental Educational Opportunity Grant, and other similar grants and scholarships except as excluded by HUD guidelines;
- The first $480 in earnings of a full-time student who is 18 years of age or older and is a dependent of the household (not the Head, Co-head or spouse);
- The first $480 of adoption subsidy received for the adoption of a child; and
- Relocation payments.

FINANCIAL AID

Public Law 109-115, Section 327, describes what types of financial aid may be counted as income for the purposes of the HCV Program. Financial Aid in excess of amounts received for tuition including federal Work Study, Pell Grant, Federal Supplemental Educational Opportunity Grant, and other similar grants and scholarships is considered income to an individual except that it is excluded from consideration for a person over the age of 23 with dependent children.

INCOME EXCLUSIONS

Annual income does not include the following:

- The value of Food Stamps received under the Food Stamp Act of 1977;
- Earned income of minor children;
- Payments received for the care of foster children or foster adults;
- Lump sum additions to family assets, such as inheritances, insurance payments, capital gains and settlements for personal or property losses;
- Amounts received by the family specifically to reimburse the cost of medical expenses for any family member;
- Income of a Live-in Aide;
- Hostile Fire pay to a family member serving in the military;
- Amounts received under a training program funded by HUD;

- Amounts received by a person with a disability that are disregarded for purposes of Supplemental Security Income (SSI) eligibility and benefits because they are set aside for use under the Social Security program Plan to Attain Self-sufficiency (PASS);
- Amounts received by a participant in other publicly assisted programs which are specifically for, or in reimbursement for, out-of-pocket expenses incurred (such as for equipment, clothing, transportation, etc) and which are made solely to allow participation in a specific program;
- Amounts received under a resident service stipend. The stipend, not to exceed $200 per month, is a modest payment to a resident for performing a service for the PHA, or owner, on a part-time basis, that enhances the quality of life in a development. Residents are limited to receiving no more than one such stipend during the same time period;
- Earnings or benefits to any family member resulting from participation in a qualifying State or local employment training program (including those not affiliated with local government). Amounts excluded by this provision must be received under employment training programs with defined goals and objectives and are excluded only while the family member participates in the training program;
- Temporary, non-recurring or sporadic income;
- Reparation payments paid by a foreign government pursuant to claims filed under that government's laws by persons who were persecuted during the Nazi era;
- Earnings in excess of $480 for each full-time student age 18 years old or older who is a dependent of the household and is not head, co-head or spouse;
- Adoption assistance payments in excess of $480 per adopted child;
- Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- Amounts paid by a State agency to a family with a developmentally disabled family member who lives at home in order to offset the cost of services and equipment needed to keep the family member at home;
- Amounts specifically excluded by any other Federal statute, as published in the Federal Register, from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the U S Housing Act of 1937.

FEDERAL EXCLUSIONS

Additional Federal income exclusions include:

- Payment to Volunteers under the Domestic Volunteers Services Act of 1973 (42 U.S.C. 5004 (g), 5058) including VISTA, RSVP, SCORE, FGP and others;
- Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931);
- Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L- 94-540, 90 Stat. 2503-04);
- The first $2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f)) including *Green Thumb, CSEP, AARP, NCOA* and others;
- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent*-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- 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);
- Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j));
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);
- Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
- Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such

assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602); and
- Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24CFR5.617]

This Administrative Plan includes the language in the Code of Federal Regulations by reference. The exclusions referenced in the regulations are:

- Initial Twelve Month Exclusion [24CFR5.617(C)(1)] ;
- Second Twelve Month Exclusion and Phase-In [24CFR5.617(C)2) ; and
- Maximum Four Year Disallowance [24CFR5.617 (C) (3).

ANNUALIZING INCOME

Annual income is that anticipated to be received over the upcoming 12 month period. Where feasible, PCHD will annualize household income based on the best available indicator of expected future income.

PCHD will consider patterns of seasonal employment, including the pay rate and cycles of seasonal employment, as well as seasonal receipt of Unemployment Benefits or other benefit income and used the best available information to determine annual household income. All changes in income are subject to review and possible redetermination of household income. All changes in income must be reported within 10 days of the change.

Income that expected to be received for a short period of time, such as Unemployment Benefits for someone who has permanently lost a job, will be annualized during the period in which it is being received in accordance with HUD guidelines. The household income will be re-evaluated whenever the income changes or terminates.

PCHD will choose between two methods of annualizing income depending upon the family circumstances as they fit patterns identified above:

- Calculating projected annual income by annualizing *current* income (and subsequently conducting an interim reexamination if income changes); or
- Using information available to average *anticipated* income from all known sources when the sources are expected to change during the year, such as with seasonal employment.

ASSETS

Applicants and participants are required to disclose all assets owned or co-owned by any member of the household, including minors. Assets include checking and savings accounts regardless of the balance in the account. Other assets include, but are not limited to:

- Real property (homes, land), including the equity in rental property or other capital investments;
- Stocks, bonds, Treasury Certificates, Certificates of Deposit, Money Market funds and other investments;
- Revocable Trusts – specifically the value of any trust available to the household;
- Individual Retirement and Keogh Accounts when the holder has access to the funds, even if there is a penalty for withdrawal;
    - While Employed – Only amounts available without terminating employment,
    - At Retirement – Benefits received in a lump sum are included as assets. Benefits received through periodic payments are NOT assets, but are included as household income.
- Lump sum receipts including inheritances, capital gains, one-time lottery winnings and insurance or claim settlements;
- Assets owned jointly with someone outside the household - PCHD will prorate the value of assets owned jointly with persons outside of the household according to the percentage of ownership. If not percentage of ownership is specified or provided for by State or local law, then assets will be prorated evenly among all owners.

EXCLUDED ASSETS

Excluded assets include:

- Necessary personal property (clothes, cars, furniture, etc);
- Vehicles specially equipped for the handicapped;
- Irrevocable trusts;
- Interest in Indian Trusts or lands held in trust;
- Jewelry and art (unless held as an investment); and
- Motor vehicles (unless the vehicle is held for investment or as a collectable item).

NET CASH VALUE OF ASSETS

PCHD will use the Net Family Assets or the Net Cash Value of Assets when determining the value of assets for the household. The Net Cash Value is the dollar value the family would receive if the asset were converted to cash. The cash value is determined after deducting both reasonable costs that would be incurred in disposing of the asset and any balance(s) due on any unpaid encumbrances (loans/liens). The cash value would be prorated in the case where there are multiple owners, including owners outside of the applicant or participant family as described in the Assets section above.

Business assets are not considered in determining the value of net family assets, unless the business assets have been disposed of for less than Fair Market Value in the two years preceding the effective date of the re-examination or move-in. Any asset, business or family, disposed of for less than Fair Market Value in the two-year period preceding the re-examination or move-in must be included in the Net Family Assets.

VERIFICATION OF ASSETS

PCHD will verify assets of applicant families regardless of value.

Participant families with assets valued at less than $5,000 may self-certify their assets beginning with their first annual re-certification. Excepting that HUD requires that PCHD verify assets of participant families, regardless of value, at least once every three years.

Assets that appear to have a value of $5,000 or more will be verified at the time the assets are disclosed by the family.

DISPOSAL OF ASSETS FOR LESS THAN FAIR MARKET VALUE

Assets, whether business or personal, are considered to be disposed of for less than Fair Market Value when the asset is disposed of for less than it is worth. If the difference between the Fair Market Value of the asset and the amount received in return is more than $1,000, PCHD will count the difference as an asset for the household for two years from the date the asset was sold or given away.

For example, Ms. Smith is an applicant. She has $10,000 and gives the cash as a gift to her son, who lives on his own. She gives him the gift 30 days before moving into an apartment using the HCV Program. The cash has been disposed of for less than Fair Market Value because she received nothing of equal in value to $10,000. PCHD must continue to count the $10,000 in cash as an asset for Ms. Smith for two years from the date she gave it away.

The same is true for other types of assets. Mr. Jones is on the HCV Program. He owns a house in Burgaw that is worth $100,000. There is no mortgage on the house. He sells it to his daughter for $50,000. Therefore, he disposed of the house for less than its Fair Market Value. He received $50,000 that he deposited into a Certificate of Deposit (CD). The CD is an asset but the additional $50,000 that was given away is also an asset. Both must be counted. The $50,000 equity that was given to the daughter must be counted as an asset for Mr. Jones for two years from the date he sold the house to his daughter.

ADJUSTMENTS TO ANNUAL INCOME

PCHD will deduct the following amounts from annual income, as they apply to the family, in order to determine the Adjusted Household Income.

- $480 for each dependent, this includes minor children and adult students who are dependents of the household but who are not head, co-head or spouse;
- $400 for a household who qualify as an Elderly/Disabled family;
- For elderly/disabled families, out-of-pocket costs of medical or disability expenses in excess of three percent of the household's annual income provided the family is paying the expenses; and
- Reasonable childcare expenses, when all adult household members are employed or are students who attend classes in a "brick and mortar" education environment. Students enrolled in on-line degree programs may petition to receive credit for day care expenses on a case-by-case basis.

REASONABLE CHILD CARE EXPENSES

PCHD will deduct reasonable child care expenses that are necessary to enable a family member to be employed or further his/her education. Only the family's out-of-pocket costs for child care may be deducted. For example, families receiving child care assistance payments from Social Services may only receive a deduction for the actual out-of-pocket costs of the parental fee.

The term "reasonable expenses" means that the expense will be reviewed by PCHD and amounts that appear excessive in terms of the household's budget based on actual household income may require additional verification or proof that the amount claimed is actually being paid.

The cost of childcare paid by a third-party, such as a grandparent or a non-custodial parent, directly to the childcare provider may not be deducted. Childcare expenses will not be deducted when an adult family member, who is unemployed and not in school, is available to provide childcare, with the exception of any case in which the adult is a person with a disability that makes it unreasonable for him/her to provide childcare.

MEDICAL AND/OR DISABILITY EXPENSES

Elderly and/or disabled families may receive a deduction for the out-of-pocket costs of medical or disability expenses that exceed three percent of the annual income. Expenses include:

- Unreimbursed medical expenses such as co-pays and health insurance premiums;
- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent that the attendant or the apparatus enables any member of the family, including the person with the disability, to be employed. The deduction may not exceed the earned income of employed family members.

METHODS OF VERIFICATION

Income, asset and expense information as well as the need for reasonable accommodations will be verified in a manner designed to minimize the possibility of acceptance and use of fraudulent or misleading information. Whenever possible, PCHD will utilize third-party verification methods, including use of the income reporting from HUD also known as the Enterprise Income Verification System or "EIV". The acceptable methods of verification are listed below from most to least acceptable types:

- Third-party Written – This method includes the use of HUD EIV, The Work Number, Verify Advantage and other on-line verification systems, whenever possible. – Third-party written verification means that verification requests are sent directly to the verifier either by fax, electronic request, e-mail or U S Mail. Such verification may not pass through the hands of the applicant/participant. The party verifying the information

must send information directly back to PCHD and must not allow any member of the assisted family to have contact with or carry the information.

- Third-party Verbal – When third-party written is not possible, PCHD will attempt to obtain verification of information directly from the verifier either by phone or in a face-to-face interview.
- Documentary Verification – When third-party verification is not possible, or is impractical due because it may cause an undue financial burden to the family, PCHD may use unaltered documents to verify information. No altered documents may be accepted including documents that have redactions (information marked out) or information that is obscured with white-out.

In accordance with HUD guidelines, documentation used for verification includes, but is not limited to:

- Paycheck stubs – A minimum of three paycheck stubs may be used to verify income, though it is PCHD's policy to collect six paycheck stub or as many as are available. Paychecks stubs must be the most recent and must be consecutive.
- Bank Statements - Checking Accounts – PCHD requires the six most recent, consecutive bank statements for checking accounts.
- Bank Statements - Savings Accounts – PCHD requires only the most recent savings account statement.
- Brokerage account statements – Statements for the most recent quarter are acceptable except in the case where the family member receives a monthly statement, in that case we will request copies of the six most recent statements.
- Social Security Benefit Letters – The most recent benefit letter is required when the benefit information cannot be verified through EIV. A benefit letter is good for up to one year, even when the letter was issued more than 120 days before the certification period.
- VA Benefits notices – The most recent benefit notice is required to verify veterans' benefits.
- Pension or Disability Benefit – From private firms such as insurance companies, a verification letter is required annually showing the continuation of any benefit payments as well as the amount and frequency of payments. We may accept a one-time verification provided the initial verification states that the benefits will continue for the recipient's life-time and the amount will not change.
- Unaltered Print-outs – Recently dated printouts/12-month histories from TANF, Child Support Enforcement, Unemployment Insurance Agencies, as well as similar agencies and for out-of-pocket medical expenses are accepted.

- Household Composition – Depending upon the information to be verified, Driver's License, Birth Certificates, Adoption paperwork, school registration records, legal custody agreements, court-orders and other relevant paperwork may be used.
- Other – Depending on the information to be verified, other documents may be acceptable. Such documentation will be reviewed for acceptability on a case-by-case basis.

Verifications are valid for use for up to 60 days for applicants and 120 days for participants.

USE OF ENTERPRISE INCOME VERIFICATION SYSTEM (EIV)

PCHD uses HUD's Enterprise Income Verification (EIV) reporting system to verify income whenever possible. EIV currently verifies information from Social Security Administration and the Department of Labor and cross checks the information the PCHD reports to HUD regarding household income for its participating families. Information discrepancies identified through the EIV system must be reviewed and, when reporting errors are found, corrected. In order to ensure that information is reported fairly and accurately, families have the opportunity to review and, if an error is found, dispute information reported through EIV.

VERIFICATION OF DISABILITY

In order to be considered a disabled household, the head, co-head or spouse must meet the definition of disabled in accordance with Social Security guidelines per section 223 of the Social Security Act or Section 102 (7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U. S. C. 600 (7). Verification that applicants/participants meet one of these criteria may include verification from a knowledgeable medical profession or evidence that the head, co-head or spouse receives disability benefits from either from Social Security (SSDI) or through the Supplement Security Income (SSI) program.

REASONABLE ACCOMMODATION

By written request, PCHD may make reasonable accommodation for persons with disabilities. PCHD may grant requests including, but not specifically limited to:

- Requests for a larger voucher size based on medical needs; and
- Live-in aides.

A reasonable accommodation may be granted upon verification that it meets the need presented by the disability and does not create an "undue financial and administrative burden" for PCHD, meaning an action requiring "significant difficulty or expense". In determining whether accommodation would create an undue hardship, the following guidelines will apply:

- The nature and cost of the accommodation needed; and
- The overall financial resources needed for the program to accommodate the request.

All requests for reasonable accommodations must be approved by the PCHD Director or his/her designee.

VERIFICATION OF REQUEST FOR REASONABLE ACCOMMODATION

The need for a reasonable accommodation may be verified with a knowledgeable, medical professional who can reasonably be expected to have knowledge of the applicant/participant's situation. PCHD will utilize outside organizations to provide assistance for persons as needed to facilitate the request. In the case that the need is obvious, such as the need for a wheel-chair ramp where one does not exist, verification of need may not be required.

LIVE-IN AIDE

A Live-in Aide is an individual who lives in the household solely to provide support for an elderly or disabled individual so that he/she may live independently or to provide support to an elderly/disabled family so another household member is free to work. A live-in aide may not be a family member who is essential for the support of the household. A live-in aide may not be a family member who was already included as a household member.

A live-in aide is not considered a member of the household. A bedroom may be required for the aide. However, only one bedroom may be allotted for a live-in aide (regardless of the size of the live-in aide's family that may also stay in the subsidized unit). The live-in aide does not have rights to tenancy of the unit, does not have rights to the voucher or any rights as a surviving household member should the Head of Household die or become incapacitated to the point that he/she can no longer stay in the unit.

Should the live-in aide no longer be required by the family, the aide is required to vacate the unit and family's voucher size will be adjusted, if necessary, at the next annual certification.

REPORTING CHANGES

As stated in Chapter 2, eligible applicants are responsible for reporting changes in their household income or composition immediately, but no more than 10 days from the date of the change.

Participants are responsible for reporting changes within 10 days of the date the change occurs.

ANNUAL RE-EXAMINATIONS

PCHD must re-examine household income and composition for all participant families at least annually. PCHD will send written notice to participants beginning approximately 120 days in advance of the one-year anniversary of the last examination of income.

Participants are required to cooperate with annual re-examinations. All adult household members are expected to participate in the annual re-examination process. Families may reschedule the initial appointment up to 24 hours in advance of the appointment time. Families are discouraged from rescheduling an appointment more than one time. Families who miss the first appointment and do not reschedule will be sent a second notice with a second appointment date and time. The second notice will be the final appointment notice.

Families who do not attend re-certification appointments, and who did not make prior arrangements to reschedule the appointment, will receive written notice of termination of assistance. Landlords will also receive notice of termination. All notices will be sent by U S Mail.

REQUIRED DOCUMENTS FOR ANNUAL RE-EXAMINATION

The annual re-examination notice to the participant family includes a list of required documents. Participants are expected to provide copies of the required documents as items on the list pertain to their household. Information disclosed by the family will be verified in accordance with procedures outlined elsewhere in this chapter. Information that may not have been specifically requested in the notice but that is necessary to accurately assess the continued eligibility of the household will be requested after reviewing the recertification information with the family. The family will be given a deadline for submission of the additional information.

INTERIM RE-EXAMINATIONS

Either PCHD or a participant family may initiate an interim re-examination. An interim re-examination may occur any time between the last annual re-examination date and the next scheduled annual re-examination and whenever a family experiences a change in circumstances, such as household income or composition, which may impact the family's eligibility for assistance.

Participants are expected to report all changes in household income and family composition within 10 days of the change. For example, for changes in employment such as a new job or receipt of a raise, this is the hire date for a new job or the date a raise is awarded and not the date of the first paycheck after the change.

If the change in household information results in the need for a change in the family's portion of rent, PCHD will process the change and notify both the family and the owner of the changes in the family rent portion.

EFFECTIVE DATE OF INTERIM CHANGES

Generally, interim changes that result in an increase in the family's rent portion will become effective on the first day of the month following a 30 day written notice of the change to the family and the owner. Excepting when the family is late reporting the change.

PCHD has monthly cutoff of the **25th** of each month. Families who have changes for the upcoming month must report by the cutoff so that we have time to review and process the information for the next month.

When a change is reported late, increases in the family rent portion will be effective the **first of the next month following completion of the redetermination** in order to avoid overpayments of assistance.

When an interim change in the family's income results in a decrease in the family's rent portion, it will be effective the first of the next month following completion of the redetermination.

ZERO HOUSING ASSISTANCE PAYMENT (HAP)

PCHD will pay assistance in whatever amount needed by the family until the Total Tenant Payment (TTP) equals the Gross Rent for the unit. Families who receive zero housing assistance payment or "Zero HAP" remain participants in the program for a maximum of 180 days (six months). During that time, if the family's circumstances change due to a loss of income or other change in household circumstances, assistance payments may resume if the family once again needs assistance based on a redetermination that the TTP is less than the Gross Rent for the unit. The HAP Contract and the family's participation in the program both terminate after 180 days at zero HAP. The termination of payments does not terminate the lease and does not terminate any of the family's rights under the terms of the lease.

BREAK-UP OF A FAMILY

PCHD has the authority to decide which family members of an assisted household continue to receive assistance from the program when a household breaks up. PCHD will make such decisions on a case-by-case basis considering elements such as minor children, ill/elderly/disabled family members, criminal activity or family members forced to leave a unit as a result of domestic violence. PCHD will use court decisions and will consider property dispositions under separate and divorce agreements provided both parties in the legal action were member of the household at admission.

Chapter 5
HOUSING QUALITY STANDARDS

Before PCHD can make payments on behalf of a tenant family, the unit must meet HUD's minimum Housing Quality Standards (HQS). The HQS inspection is designed to confirm that rental units meet basic HUD guidelines as decent, safe and sanitary. All systems, appliances and major features of a unit must work as they are designed to work. These standards have been implemented by HUD nationwide to ensure that all assisted units meet minimum health and safety standards. Units that do not meet basic HQS will not pass inspection. Rental assistance or subsidy may not be paid for units that do not pass HQS.

MOVE-IN INSPECTIONS

The move-in inspection will be conducted as soon as is reasonable after receipt of the completed Request for Tenancy Approval (RFTA) and the unit is determined to be affordable for the family. Units that are not affordable will not be inspected. PCHD's HQS inspector will contact the owner and the applicant/participant to schedule the inspection. PCHD's goal is to complete inspections on affordable units within 15 days of receiving the RFTA. However, the unit availability date, as indicated by the owner, will also be a factor in determining an inspection date.

ANNUAL INSPECTIONS

All units must pass a Housing Quality Standards (HQS) inspection prior to initial lease-up and at least once every 365 days thereafter as long as it is occupied by an assisted family. Residents and landlords are notified in writing, in advance of the annual inspection appointments. An adult must be present to admit the inspector to the unit.

MISSED INSPECTION APPOINTMENTS

Families and landlords are notified in advance of the date and time of the inspection. If no adult is present at the time of the appointment to admit the inspector, the inspection will be treated as a failed inspection. The resident and the landlord will be notified of the failed inspection and will be given an opportunity to re-schedule the appointment.

If no adult is available at the re-scheduled appointment, the unit will fail inspection and the family will be subject to termination of rental assistance. The family and the landlord will be notified in writing.

SPECIAL INSPECTIONS

Upon a request from a participant or an owner, a special inspection may be scheduled to determine if the unit complies with HQS including to verify the owner is properly maintaining the unit. Special inspections may also be used to verify certain compliance requirements under the terms of the lease and HAP Contract.

UTILITIES

At the move-in inspection, the landlord is responsible for ensuring utilities are turned on and the unit is ready for inspection. A unit may not be inspected and cannot pass inspection if the utilities are not on and systems cannot be tested. Once a unit passes inspection and the lease is executed, the tenant and landlord must follow the terms of the lease in regards to utility responsibilities.

Pursuant to the terms of the lease, participants must provide and maintain all tenant supplied utilities and appliances. Landlords must provide and maintain any utilities and appliances as indicated by the lease and HAP Contract.

If utilities are disconnected or appliances cease to work as they are designed to work, the unit may be deemed substandard and no assistance may be paid for the time during which the utilities or appliances were not working.

HQS CHECKLIST

The following is a list of items inspected to ensure units meet Housing Quality Standards. The list is not intended to be definitive, but instead is a basic guideline for all units:

- **Bathroom**
  - The bathroom must be located in a separate room and have a flush toilet.
  - The unit must have a fixed basin with a sink trap and hot and cold running water.
  - The unit must have a shower or bathtub with hot and cold running water.
  - The toilet facilities must utilize an approvable public or private disposal system, including a locally approvable septic system.

- **Kitchen**
  - The unit must have a stove or range for cooking (exceptions must be approved by PCHD) and refrigerator of appropriate size for the unit (i.e., family) in proper operating condition. Stoves, ovens, and ranges must have all control knobs and handles. Gas stove burners must light by pilot jets without the use of incendiary devices (i.e., matches, lighter, etc.).
  - The unit must have a kitchen sink in proper operating condition with a sink trap and hot and cold running water, which drains into an approvable public or private wastewater system.
  - The unit must provide space for the storage, preparation, and serving of food.
  - There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (i.e., garbage containers).

- **Space and Security**
  - All units must have a minimum of a living room, kitchen area, and bathroom.
  - The unit must contain at least one sleeping or living/sleeping room for each two persons.
  - The unit's windows, which are accessible from the outside, such as basement, first-floor, and fire escape windows, must be lockable (e.g., window units with sash pins or sash locks, and combination windows with latches).
  - Vertically opening windows must stay up and open without the use of props.
  - Windows designed to open should be in working condition.
  - The unit's exterior doors (i.e., those that allow access to or from the unit) must lock properly.

- **Thermal Environment (Heating and Cooling System)**
  - The unit must contain a safe heating system (and safe cooling system, where present), which is in proper operating condition and can provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room used for living in order to assure a healthy living environment appropriate to the climate.
  - The unit must **not** contain any unvented room heaters that burn gas, oil, or kerosene. A working radiator is acceptable.

- **Illumination and Electricity**
  - There must be at least one window in the living room and in each sleeping room.
  - The kitchen area and the bathroom must have a permanent ceiling or wall-type light fixture in working condition. The kitchen area must also have at least one electrical outlet in operating condition.
  - The living room and each bedroom must have at least two electrical outlets in operating condition. Permanently installed overhead or wall-mounted light fixtures may count as one of the required electrical outlets.
  - All other rooms used for living require a means of natural or artificial illumination such as a light fixture, a wall outlet to serve a lamp, a window in the room, or adequate light from an adjacent room.
  - Each electrical outlet must be permanently installed in the baseboard, wall or floor.
  - Table or floor lamps, ceiling lamps plugged into a socket, or an extension cord plugged into another plug cannot be counted as an outlet for HQS purposes.
  - Electrical hazards of any kind, either inside or outside the unit, would receive a fail rating.

- **Structure and Materials**
  - Interior ceilings, walls and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.
  - The floors must also not have any major movement under walking stress or tripping hazards presented by the permanent floor coverings.
  - The roof must be structurally sound and weather tight.
  - The exterior wall structure and surfaces must not have any serious defects such as serious leaning, buckling, sagging, large holes, unfastened and falling components, or defects that would result in air infiltration or vermin infestation.

- The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc. must not present a danger of tripping and falling. Examples include, but are not limited to, broken or missing steps and loose boards.
- Elevators must be working, safe, and compliant with locally enforced codes.
- Manufactured homes must be securely anchored by tie down devices that distribute and transfer the loads imposed by the unit to appropriate ground anchors so as to resist wind overturning and sliding.
- Manufactured homes must be underpinned in such a way as to prevent excessive heat loss and to prevent vermin and pests from living under the unit.

- **Interior Air Quality**
  - The unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust and other harmful pollutants.
  - The unit must have adequate air circulation.
  - Bathrooms must have a window that opens properly or a permanently installed exhaust fan.
  - Any room used for sleeping must have at least one window that opens properly, if the window was designed to open.

- **Water Supply**
  An approvable public or private water supply must serve the unit that is sanitary and free from contamination.

- **Access**
  - The unit must have direct access for the tenant to enter and exit, without the unauthorized use of other private properties.
  - The building must provide an alternate means of exit in case of fire (such as fire stairs or exit through windows, with the use of a ladder if windows are above the second floor).
  - Entry/exits must not be "blocked" by debris, stored items, non-working locks or doors that have been nailed shut or otherwise obstructed.

- **Doors**
  - Interior:
    - Doors must be securely mounted. All required hardware and trim (locks, molding, etc.) must be present and in proper working order. Locking hardware must correctly engage strike plates.
    - Door surfaces must be in good repair, free of holes and not showing signs of delaminating.
    - The doors must operate smoothly without binding on frame or floor.

  - Exterior:
    - Hinged doors must be securely mounted. All necessary hardware and trim (locks, molding, etc.) must be present and in proper working order. Locking hardware must properly engage strike plates.
    - Door surfaces must in good repair. Door surface damages that allow thermal transfer (air leakage) are not allowed.
    - Keyed, single-cylinder, dead bolt locks, and "keyless locks" are necessary for the front entry doors. All other doors entering the living quarters, including doors leading to an enclosed garage, must have keyless lock. If there is limited or no visibility at the front entry way, peephole may be required for safety purposes. If glass panes are mounted into the door surface or along the side of the door that allow views to the outside or if there is a window within reasonable proximity to the front entry door that allows adequate views, then a peephole is not needed.
    - The doors must operate smoothly without binding on the doorframe or floor. Hinged doors must not allow thermal transfer because of faulty/missing seals or misalignment to the doorframe.
    - Two types of keyless locks are acceptable. One is the keyless deadbolt. The other is called a "C" bolt or anchor bolt.
    - Sliding glass doors must have two means of security. A combination of two of the following is sufficient; the main latch, a pin that secures the sliding panel to the fixed panel, and/or a "Charlie Bar" which must be permanently mounted. Both the pin and the bar should not be mounted more than 48" from the floor. The door must function properly. Excessive force must not be required to open and/or close the sliding panel.
    - Siding doors must not allow thermal transfer because of faulty/missing seals or misalignment to the doorframe.

- **Windows**
  - If windows are designed to open, they must open and remain open without props. Window locks must be present and function properly.
  - Security bars are allowed. However, if they are installed on bedroom windows and/or exit doors they must be designed to allow emergency egress.
  - Intact window screens **are required** to ensure that pests and vermin do not enter the unit through open windows and to allow for free flow of air during warmer months.

- **Electrical Outlets, Switches, Fixtures, Stairs and Bathrooms**
  - Electrical outlets must be securely mounted, function properly, and have cover plates.
  - Electrical switches must be securely mounted, function properly, and have cover plates. This includes three-way switch systems designed for hallway and stairwell lighting.
  - Both inside and outside light fixtures must be securely mounted and function properly. "Hanging" lights must be supported by the chain or other hardware and not by the electrical wiring.
  - Circuit Breaker/Fuse Boxes, both interior and exterior, must have permanent covers preventing contact with bare wiring.
  - Stairs: Handrails must be present at stair locations that have four (4) or more risers. Missing/damaged parts are not acceptable. Loose, broken, and/or missing treads are not allowed.
  - All bathrooms must have a vent fan or window.

Again, the information on this checklist provides basic HQS requirements along with a limited number of local requirements. Other elements related to the overall safety of the unit may be considered as part of the HQS inspection on a case-by-case basis and depending upon the unit type and location. **All systems in a unit must work as designed to work.**

BUILDING CODES AND MINIMUM CODE

At this time, Pender County has no minimum housing code. Therefore, PCHD has chosen to refer to current North Carolina State Building Code as it relates to housing construction for guidance on issues in which HUD guidance is vague or silent and there is a question of safety or security. Our goal is not to require older or grandfathered dwellings to be re-built to current code, but rather to use the State code as additional guidance when determining whether there are health and safety issues that should be repaired or corrected.

TENANT PREFERENCE

At times, an inspection may show that a unit has defects but the defects do not pose a health and/or safety issue to residents and are not a violation of the most basic HQS requirements. If the applicant/participant agrees to accept the unit with the noted defects, the inspector will defer to the applicant/participant's choice in those instances. However, the defects will be noted on the inspection report and may not be used by the applicant/participant as the basis for action against PCHD or the landlord at a later date. PCHD will not knowingly subsidize a family in a unit that has HQS violations.

LEAD BASED PAINT

A dwelling unit constructed before 1978 that is occupied by a family that includes a child under the age of six years must include a visual inspection for defective paint surfaces. Defective paint surface is defined as a surface on which the paint is cracking, scaling, chipping, peeling or loose. If defective paint surfaces are found, such surfaces must be treated.

If severely deteriorate paint is found, units may be recommended for lead-based paint testing pursuant to HUD requirements. If lead based paint is identified, landlords must abate the paint and must take steps to protect the family and their belongings from contamination during the treatment and abatement process.

SITE AND NEIGHBORHOOD

The site and neighborhood must be reasonably free of serious conditions that would endanger the health and safety of residents.

PESTS/INFESTATIONS

The unit and its equipment must be free of infestation from insects/bugs, vermin and rodents at all times.

SMOKE DETECTORS

The unit must have at least one battery operated or hardwired smoke detector that is in proper operating condition on each level of the unit, including basements but excluding crawl spaces and unfinished attics. Smoke detectors must meet the requirements of the National Fire Protection Association Standard 74 or its successor. If a hearing impaired person occupies a unit, the smoke detector must have an alarm system designed for hearing-impaired persons.

OCCUPANCY

Unit to be inspected for initial occupancy must be vacant and in move-in condition for the move-in inspection. The unit must be cleaned (turned) and all repairs must be complete.

There is an exception for new voucher holders (applicants) who are proposing to lease in place and may be living in the unit at the time of the "move-in" inspection. The unit must be clean and in as near move-in condition as is reasonably possible. All repairs must be complete.

FAILED MOVE-IN INSPECTIONS

Units are expected to be move-in ready at the move-in inspection. The HAP Contract cannot be executed and housing assistance payments cannot be made until the unit passes an inspection.

The inspection is not designed to give landlords a repair or "punch" list of items. If the unit fails the move-in inspection, the landlord will be given one opportunity to make the unit ready. If the landlord is unable or unwilling to bring the unit to the standard required to pass HQS, the applicant/participant will be advised to find a unit that is suitable for the family and meets HQS.

FAILED ANNUAL AND SPECIAL INSPECTIONS

If the unit fails an annual or special inspection, an inspection notice with a report indicating the failed items will be mailed to the owner. When the repairs are complete, the owner is responsible for contacting the Inspector to request a re-inspection.

Some damage or issues noted at the inspection may be the result of negligence or poor housekeeping on the part of the resident. Regardless of who is responsible, when fail items are identified they must be corrected.

Each time landlords accept a housing assistance payment, they certify that the assisted unit meets HQS. Repairs or maintenance issues are considered to be the responsibility of the landlord. If the damage occurs as a result of the actions of a resident, another household member or his/her guest, landlord may bill residents for damage in accordance with the terms of the lease and NC State law. However, the landlord is responsible for ensuring repairs are completed.

Landlords are also responsible for ensuring residents comply with the terms of the lease. This includes housekeeping and any other resident responsibilities under the terms of the lease. PCHD is not a property management company and does not manage property on behalf of owners subject to HAP Contracts. Landlords should enforce the terms of the lease and notify the PCHD in writing when the resident is non-compliant with the lease.

REPAIR PERIOD

The following time standards apply for repairs:

- Repairs for non-threatening items must be made within 30 days. The landlord will be notified of the time frame for repairs. The landlord is responsible for scheduling the re-inspection when repairs are complete.
- For life-threatening or life essential repairs, correction must be completed within 24 hours. Re-inspection may be required.
- In some cases repairs may require a time frame in excess of those stated above. Major repairs or delays in repairs that are unavoidable (due to no fault of the owner), PCHD will work with owners on a case-by-case basis to determine a reasonable time frame for repairs.

EXTENSIONS

When a landlord is unable to complete non-major repairs within the 30-day period, he/she may request an extension. Extension requests must be made in writing and received in PCHD's office at least 24 hours prior to the scheduled re-inspection. Requests may be made via e-mail, fax, U S Mail or delivered in person.

If a repair is major, and a longer period of time is needed to complete a repair through no fault of the owner, PCHD will work with the owner to allow adequate time for the repair based on the situation or type of repair.

EMERGENCY REPAIRS FOR LIFE-THREATENING OR LIFE-ESSENTIAL ITEMS

As stated above, some repairs must be completed within 24 hours of being reported. Items that are considered 24 hour repairs include, but are not limited to:

- No heat in the winter (broken/faulty furnace),
- Non-working smoke detectors,
- Non-working toilet, when there is only one toilet in the unit,
- Non-working refrigerator, and
- Any disconnection or failure of utilities.

Repair items may be the responsibility of the landlord or the resident. Regardless of the responsible party, life-threatening issues must be remedy within 24 hours, or as soon as possible depending upon the nature of the repair.

CONSEQUENCES TO THE OWNER: Re-inspection Fee

On March 8, 2016, HUD issued a final rule allowing Housing Authorities to charge a reasonable re-inspection fees to owners under two circumstances.

First, if an owner reports that a deficiency has been fixed, but the deficiency is found to still exist at re-inspection, then PCHD will charge a re-inspection fee.

Second, if a re-inspection conducted after the expiration of the timeframe for repairs shows that the deficiency persist, then PCHD will charge a re-inspection fee.

For example: Mr. Smith receives a failed inspection notice from PCHD. Four items need repair and are the owner's responsibility. He is given 30 days to make needed repairs. Mr. Smith tells his handy-man to make repairs. Mr. Smith schedules a re-inspection with the Inspector 30 days after the notice date. The inspector goes to the property on the appointed date and finds that two of the four repair items were not done. At that point, PCHD may assess a fee to the owner.

PCHD will charge a fee of $20 per occurrence. The fee covers our time and costs for conducting a re-inspection when a unit was not ready for re-inspection. When a fee is assessed, the owner has the option to pay the fee to PCHD within 10 days. However, if the fee is not paid, then PCHD will deduct the fee from the next rental assistance payment due to the owner.

Owners may NOT collect the fee from the resident or pass the cost of the fee to the resident in any way.

CONSEQUENCES TO THE OWNER: Abatement

If repairs are not made by the stated deadline, including any permitted extensions, housing assistance payments may be abated. This means that the payment will be stopped. Landlords are notified in writing of the potential for abatement.

During any period of abatement, the resident is responsible for paying his/her rent portion. However, the landlord is prohibited by the HAP Contract from collecting the assistance portion of the rent from the resident.

PCHD will re-inspect units or verify completed repairs as soon as possible once the landlord notifies the inspector that needed repairs are complete. Housing assistance payments will resume on the date the unit passes inspection.

Abatement may continue until all failed items have passed inspection or 30 days have passed. Fail items unrepaired after 90 days from the initial fail date may result in termination of the HAP Contract. Repair situations in which the inability to complete repairs is beyond the owner's control will be handled on a case-by-case basis.

Abated payments are forfeit and may not be collected from either PCHD or the tenant. Abated assistance payments may not be reinstated.

Housing assistance payments to the owner will not be abated for items that are the resident's responsibility to repair or correct. Instead, families who do not correct items as required will be terminated from the program after appropriate written notice is given.

CONSEQUENCES TO THE OWNER: Habitual HQS Fails

Landlord's whose units habitually fail annual and/or move-in inspections may be barred from participating in the program. The goal of the program is to provide decent, safe, healthy, affordable housing for low-income families. To allow landlords to take advantage of low-income residents is poor stewardship of program dollars and puts families at risk, creating a liability for the Housing Authority.

Landlords who appear to have habitual failures may be subject to additional monitoring of overall unit quality. If data indicates that a landlord routinely fails to meet HQS guidelines in terms of maintenance of their rental units, the HAP Contract may be terminated for cause and rental assistance payments made during the review period subject to recapture. Failure to maintain units and/or abide by the terms of the HAP Contract may be considered fraud or a corrupt act under the terms of the HCV program.

Chapter 6
MOVES WITH CONTINUED ASSISTANCE AND PORTABILITY

Within the guidelines of the program and existing lease agreements, participant families may move from one unit to another with continued assistance. Participants may also move outside of PCHD's jurisdiction or into PCHD's jurisdiction from another Public Housing Authority (PHA). As with the initial lease-up on the program, the new unit must be affordable for the family and must pass a HQS inspection regardless of the type of move. Participants who move without following the necessary steps may be ineligible to continue to receive assistance.

ALLOWABLE MOVES

Participants may move to a new unit if:

- After the initial lease term is complete, the family has given at least 30 days written notice to the landlord of its intention to vacate the unit and is otherwise in good standing with the program,
- The assisted lease has been terminated because the HAP Contract with the owner was terminated by PCHD for cause,
- The lease is terminated by mutual agreement between the family and the owner,
- After the initial lease term is complete, the owner has given the family a notice to vacate for reasons other than eviction, or
- The family has given proper notice of lease termination for cause (if provided by the lease terms) for owner breach of contract.

RESTRICTIONS ON MOVES

PCHD may not permit participants to move under the following conditions:

- During the initial year of the lease, unless the owner has breached the terms of the lease agreement,
- If the family violates a family obligation,
- If the family is subject to eviction,
- If the family owes PCHD money, or
- If the family has moved or was issued a voucher within the last 12 months, except for reasons of emergency or as a reasonable accommodation.

ISSUANCE OF VOUCHER

Participants that have not re-certified within the last 90 days, or if there has been any change in the household, must be re-certified prior to a move. PCHD may issue a voucher after initiating the re-certification process. Families will not be permitted to lease-up until recertification is complete. If a family does not locate a new unit, they may stay in the current unit only if the owner permits the family to stay. Families who change their minds about moving must work with the owner to obtain an agreement to remain in residence at their current unit. PCHD cannot require the owner to allow the family to stay after a Notice to Vacate has been given.

NOTICE REQUIREMENTS

Participants must give the owner and PCHD at least 30 days written notice of intent vacate. Owners must follow the same requirement of a minimum 30 day notice when they wish to end a relationship with a tenant after the initial lease term is fulfilled, except in the case of eviction. If the lease specifies a longer notice period, then the lease requirements super cede this guideline.

MOVES TO A NEW UNIT WITH A NEW LANDLORD

In a move, assistance stops at the old unit and begins at the new unit. Generally, PCHD will prorate assistance if notice is given for a mid-month move-out. It is PCHD's policy that we do not overlap assistance paid for residents for more than three calendar days. The notice to vacate should be given on the first day of the month to complete the notice period on the last day of the month, whenever possible.

MOVES WITHIN COMPLEXES OR WITH THE SAME OWNER

A move within the same apartment complex or to a new unit owned by the same landlord will be processed as any other move. No overlapping of assistance is permitted for two units owned by the same owner.

THE 40 PERCENT RULE

As with the initial lease up, when a participant moves to a new unit, the family's total contribution toward gross rent is capped at 40 percent of the adjusted household income for the initial lease term in the new unit. Please see Chapter 3 for more information.

PORTABILITY

Portability is the ability of families with vouchers to move to from one jurisdiction to another and retain rental assistance. The HCV Program is a Federal program and is operated nationwide. A family may have the ability to port to any jurisdiction in the Country in which there is a Public Housing Authority (PHA) with a tenant-based voucher program.

ELIGIBILITY FOR PORTABILITY

Participants must be in good-standing in order to be eligible for portability. They must be compliant with program requirements and must not have any outstanding payments due to PCHD. Families who are in Strict Compliance Agreements (executed in lieu of termination) and those on Repayment Agreements for overpaid assistance are not eligible for portability.

PORTABILITY RESTRICTIONS

Families are not permitted to exercise portability under the following conditions:

- During the initial 12-month period after admission to the voucher program,
- Families in violation of a family obligation,
- Families who owe PCHD money,
- During periods of insufficient funding and as approved by HUD, when the receiving PHA's payment standard is higher than PCHD's and the receiving PHA is billing, not absorbing portability clients.

Exceptions may be granted as a reasonable accommodation for families who qualify as an elderly or disabled family. An exception may also be granted when there is a documented, emergency reason for a participant to move that is a situation beyond the participant's control.

OUTGOING PORTABILITY

PCHD will provide counseling for participants who express interest in portability. The family must request to port out and must advise PCHD of the intended destination. PCHD will notify the receiving PHA that the family wishes to relocate to its jurisdiction and will provide all necessary documentation to the receiving PHA including, but not limited to, a copy of the voucher, a copy of the most recent HUD 50058 form, basic family information and administrative fee information.

Receiving PHAs must notify PCHD within 60 days of the following:

- Whether the receiving PHA will absorb the family into their program,
- Whether the family leases up or fails to submit a Request for Tenancy Approval by the required date,
- If assistance to a portable family was terminated by the receiving PHA, and
- If the family request to move to an area outside of the receiving PHA's jurisdiction.

PAYMENT TO RECEIVING PHAS

Payment for families in other jurisdiction will be made to the receiving PHA when billed, or in accordance with other HUD approved procedures for payment.

CLAIMS FOR PORTABLES

For portable families being billed to PCHD, a violation of family obligations that results in overpayment of assistance may result in termination of assistance for the family. PCHD will review each family on a case-by-case basis to determine what follow up action may be required. PCHD will be responsible for collecting repayment if the family agrees to sign a repayment agreement. If the family does not agree to sign a repayment agreement, the family's assistance will be terminated and they may appeal in accordance with HUD guidelines.

INCOMING PORTABILITY

PCHD will accept a family with a valid voucher from another jurisdiction and either administer or absorb the voucher. If administering, PCHD will honor the voucher from the issuing PHA. The issuing PHA is responsible for granting extensions or increases in voucher size for any changes

other than the birth, adoption or court-awarded custody of a child or when the household size decreases. Otherwise, PCHD's policies for administering the voucher program will prevail.

If absorbing vouchers, PCHD will issue a voucher in accordance with its own subsidy standards and will otherwise follow the policies stated in this Plan.

PCHD will not accept administration of a portable family who owes money to the initial PHA.

INCOME OF PORTABLES

If the family's income exceeds the income limit for PCHD, participant families porting in with continued assistance will not be denied admission. Applicant families porting in will be denied assistance if the household income exceeds Very-low Income Limit (50 percent of Area Median Income) for Pender County.

PORTABLE REQUESTS FOR TENANCY APPROVAL

PCHD will follow its established policy for processing RFTAs for portable families. If the family leases up successfully, the initiating PHA will be notified and billing will commence for administered vouchers. If PCHD denies assistance, the initiating PHA will be notified within 60 days.

If the family wishes to move outside of PCHD's jurisdiction, PCHD will notify the initiating PHA and advise the family that it is their responsibility to contact the initiating PHA for continued portability.

TERMINATION OF PORTABLES

PCHD will notify the initial PHA in writing of any termination of assistance within 30 days of termination. If an informal hearing is requested by the family, PCHD will conduct the hearing unless the initial PHA prefers to do so. A copy of the hearing decision will be provided to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims and for monitoring repayment.

REQUIRED DOCUMENTS

PCHD requires the following documents from the initial PHA:

- A copy of the voucher with expiration dates,
- The most recent 50058 form with income verifications,
- The HUD 52665 with the PHA's administrative fee information for billing, and
- Copies of photo identification for all adults in the household as well as birth certificates and social security cards for all household members.

BILLING PROCEDURES

As receiving PHA, PCHD will bill the initial PHA via submission of the HUD 52665 for monthly HAP amounts and administrative fees. PCHD will notify the initial PHA of any changes in subsidy amounts in the same manner and expects the initial PHA to notify PCHD of any changes in the administrative fee amount to be billed.

The initial PHA is expected to pay all amounts billed promptly and without additional notices being sent. The initial payment should be received within 60 days of lease-up and all amounts due must be paid monthly thereafter. Depending upon budgetary constraints and in accordance with HUD guidelines, PCHD may terminate assistance for portable families that have not been absorbed if the initial PHA does not pay amounts as required.

Chapter 7
PROGRAM VIOLATIONS, DENIALS AND TERMINATION OF ASSISTANCE

Compliance with voucher program requirements is essential to ensuring the program provides adequate assistance to families without overpaying. This chapter addresses various elements dealing with both program compliance and situations that may lead to termination of assistance. Termination of assistance is not always a negative act. In fact, families who no longer have need of assistance may self-terminate. This chapter offers guidelines for administration that will ensure consistent application of program rules.

FAILURE TO SIGN CONSENT FORMS

PCHD must deny assistance to any applicant family and/or terminate assistance to any participant family if any member of the family fails or refuses to sign and submit consent forms necessary for obtaining information as required by HUD regulations.

ACTION OR INACTION BY A PARTICIPANT/APPLICANT

PCHD may deny or terminate assistance to households because of a family's action or failure to act including, but not limited to, situations such as:

- Failing to supply information necessary to determine eligibility,
- Criminal activity in a subsidized unit,
- Misrepresentation of a family information, and
- Failing to attend appointments such as required briefings, re-examinations and HQS inspections.

VIOLATION OF FAMILY OBLIGATIONS

Violations of family obligations are very serious and may result in termination of assistance. Oversight and unintentional violations occur. It is PCHD's policy to review each violation and address situations with families on a case-by-case basis. PCHD's goal is to work with families to help them be successful within the guidelines for the HCV program. However, families who commit serious or repeated violations of family obligations are subject to termination from the program. If terminated, they have the right to request a hearing in accordance with HUD guidelines.

EVICTION

PCHD is required to terminate assistance for households evicted from subsidized units for good cause. Good cause includes, but is not limited to, the following:

- Nonpayment of the family's portion of rent,
- Unauthorized occupants,
- Criminal activity of any type by household members or their guests,
- Nonpayment of utilities, and
- Damages to the unit.

Families evicted for good cause, may be denied re-admission for the program for a minimum of three years from the date all costs associated with the eviction and termination are paid.

SEPARATE OR SIDE AGREEMENTS

Families and owners are prohibited from entering into separate agreements that are not disclosed with the lease. Landlords are prohibited from entering into separate agreements with assisted families for any service, appliance or amenity that would be included in the rent for unassisted families or for items permanently installed in the unit (such as dishwashers) or for appurtenances to the unit (such as driveways).

PCHD is unlikely to approve agreement for "extra or additional" optional services, unless there is a compelling reason to do so or unless the agreement provides a reasonable accommodation to a senior or disabled family. All proposed agreements for "extra or additional" services, such as lawn care services, must be disclosed to PCHD ***before*** the execution of the lease and families must have a realistic option to decline the service.

If an additional agreement is approved, any payment amounts agreed upon for such services must be reasonable and may not be a substitute for higher rent. PCHD will not pay assistance for any items covered under such separate agreements.

Non-payment for items included on these agreements is not grounds for either eviction or lease-termination.

OVERPAYMENT OF ASSISTANCE

Should a violation of family obligation result in an overpayment of rental assistance, the participant family owes PCHD reimbursement for the overpayment. PCHD may choose to accept a repayment agreement for overpaid assistance or may require that the family pay amounts due in full. Generally, balances of $300 or less are required to be paid in full.

Written repayment agreements are required for all families who wish to enter into a repayment agreement. PCHD requires a down payment for families entering into such an agreement. The standard down payment amount is 30 percent of the balance due.

In the event a second overpayment occurs for the same family, the family will be required to pay the balance in full, regardless of the amount, in order to stay in the program.

A third occurrence of overpaid assistance will result in termination of participation.

Over payments of assistance resulting from fraud or criminal action, as per State Law 15 § 157-29.1, will be referred to the appropriate jurisdiction for prosecution.

REPAYMENT AGREEMENTS

In the event PCHD overpays assistance, a written repayment agreement may be accepted for amounts over $300. Amounts under $300 are expected to be paid in full. However, PCHD will require a down payment of a percentage of the amount of overpaid assistance in order to accept a repayment agreement. Generally, PCHD will require a payment of 30 percent down, but a lesser amount may be accepted depending upon the family's circumstances and the severity of the over payment.

A monthly payment amount and term will be established with the family to ensure the balance is paid-in-full within the shortest amount of time reasonable based on the household income and the amount of the overpayment. Generally, PCHD expects balances to be paid in full within 12 months. A family with a repayment agreement has the option to repay the balance in full at any time and without penalty. At the end of the repayment term, any remaining balance on the account is due in full. Families must abide by the terms of the agreement.

FAILURE TO PAY ON A REPAYMENT AGREEMENT

Families who do not make payments as agreed on a repayment agreement are subject to be terminated from participation in the program. Families are responsible for making payments as agreed without reminders from PCHD.

Families who have additional hardships that may result in difficulty making a full payment are asked to make a good-faith payment of a lesser amount monthly until the hardship is resolved. Families who become delinquent on payments, failing to make a good faith attempt at payment, may be required to pay the balance in full, in accordance with the terms of the Agreement, in order to maintain eligibility for the program.

OWNER DEBTS

If the owner receives payments to which he/she was not entitled, PCHD will reclaim the amounts from future HAP payments whenever possible. If the future payments are insufficient to reclaim the amount overpaid, or if future payments are not expected, PCHD will request that the owner pay the amount in full. PCHD may enter into a repayment agreement with an owner instead of requiring payment in full. The guidelines for accepting a repayment agreement will be the same as those applied to a participant family.

OWNER BREACH OF CONTRACT

Any of the following actions by the owner, including a principal member of a partnership, or his/her legal representative is a breach of the HAP Contract by the owner:

- Violation of the terms of the HAP Contract, including the requirement to maintain the unit in accordance with HQS,
- Commission of fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- Commission of drug related criminal activity and/or violent criminal activity.

OWNER TERMINATION OF LEASE

If the lease is terminated by the owner, the assistance payments to the owner will also terminate. If the owner has begun the process of evicting the resident, and the resident continues to live in the unit, PCHD will continue to pay assistance to the owner in accordance with the HAP Contract until the owner has obtained a court judgment and order of eviction.

TERMINATION OF ASSISTANCE PAYMENTS TO OWNER

Payments to the owner must terminate if:

- The lease is terminated,
- The HAP Contract is terminated,
- The participant family vacates the unit, or
- PCHD terminates assistance to the family.

PARTICIPANT SELF-TERMINATION

Participants may terminate their participation in the voucher program at any time by providing a written notice to PCHD. This notice terminates assistance. It does not terminate the lease agreement with the landlord.

ZERO HOUSING ASSISTANCE PAYMENT

Families who are at zero HAP for 180 consecutive days (six months) will terminate from the voucher program in accordance with HUD guidelines.

DISCRETION TO CONSIDER CIRCUMSTANCES

PCHD has discretion to consider all circumstances in each case before denying or terminating assistance. The head of household is responsible for the behavior of guests and household members. However, PCHD will consider the seriousness of the issue, extent of participation or culpability of an individual family member and mitigating circumstances related to a disability of a family member as a part of its decision making process. PCHD may also consider the effects of its decision on other family members not involved in the action or failure to act.

In order for other members of a family to continue to receive assistance, PCHD may impose conditions for continued assistance, including exclusion of the culpable family member from the household (if practical).

PHCD is unable to provide support for minor children in a household in which there is no eligible, responsible adult. The welfare of minors is an important. However, only adults may act as heads of household. Parents or guardians must be eligible for assistance (or continued assistance).

INFORMAL REVIEW OF DENIAL OF ASSISTANCE FOR APPLICANTS

PCHD will give applicants a notice of its decision to deny an application in writing. The notice will be sent by U S Mail to the applicant's last known mailing address and will give a brief description of the reason for denial. Applicants have the opportunity to provide additional information to PCHD that may affect the decision to deny assistance.

However if, after presenting additional information, the application continues to be denied, Applicants will be given information on how to request an informal review of PCHD's decision, unless the opportunity for informal review is not required.

Applicants have 10 days from the date of the notice of denial to request an informal review. Requests must be made in writing. If a request for a review is received, PCHD will notify the applicant in writing of the date, time and location of the informal review within 10 days of receipt of the request.

INFORMAL REVIEW PROCESS

An informal review will be conducted by a designee of PCHD and will be someone other than an employee involved in the decision under review (or his/her subordinates). The applicant will be given an opportunity to present oral or written objections to the decision. Both PCHD and the family may present evidence. The applicant must be present for his/her information to be considered.

The family will receive a notice of the review findings and the reviewer's decision within 10 days after the review. A brief explanation will be included with decision. The request along with supporting documentation and a copy of the final decision will be retained with the applicant's file for three years.

Families who feel that the matter is unresolved may present their information to the HUD regional office for review.

INFORMAL REVIEW OPPORTUNITY NOT REQUIRED

PCHD is not required to provide an opportunity for an informal review to applicants for any of the following:

- Discretionary administrative determinations,
- General policy issues or class grievances,
- A determination of family unit size in accordance with PCHD subsidy standards,
- A decision not to approve an extension or suspension of a voucher term,
- A determination not to grant approval of a tenancy,
- A determination that the unit selected by a family does not comply with HQS,
- A determination that a unit does not meet HQS due to family size or composition, or
- A determination to deny assistance on the basis of ineligible immigration status (see 24 CFR part 5).

INFORMAL HEARING ON CONTINUED ELIGIBILITY OR TERMINATION FOR PARTICIPANTS

PCHD provides participants with an opportunity for an informal hearing for decisions related to continued eligibility, the amount of assistance and termination. When a participant disagrees with a determination made by PCHD, they have the right to request an informal hearing, unless the determination is related to a circumstance in which an opportunity for a hearing is not required.

Participants have 10 days from the date of PCHD's determination to request an informal hearing. Requests must be made in writing. If a request for a hearing is received, PCHD will notify the participant in writing of the date, time and location of the informal review within 30 days of receipt of the request.

When PCHD has made a determination to terminate assistance for a family, a separate written notice will be sent to the owner. PCHD will not terminate assistance until the opportunity for an informal hearing has past. If a hearing is requested, assistance will continue until such time as a decision to terminate the family's assistance is upheld.

INFORMAL HEARING OPPORTUNITY NOT REQUIRED

PCHD is not required to provide an opportunity for an informal hearing to participants for any of the following:

- Discretionary administrative determinations,
- General policy issues or class grievances,
- Establishment of a utility allowances for families in the program,
- A determination of family unit size in accordance with PCHD subsidy standards,
- A decision not to approve an extension or suspension of a voucher term,
- A determination not to grant approval of a unit or a lease,
- A determination that the unit selected by a family does not comply with HQS (unless the decision is based on a breach of HQS caused by the family),
- A determination that a unit does not meet HQS due to family size, or
- PCHD's determination to exercise or not exercise rights or remedies again the owner under a HAP Contract.

INFORMAL HEARING PROCESS

An informal hearing will be conducted by a Hearing Officer, who is a designee of PCHD, and will be someone other than an employee involved in the decision under hearing (or his/her subordinates). Both PCHD and the family may present evidence.

The participant will be given an opportunity to present oral or written objections to the decision. If the family has evidence that it wishes to present, including any witnesses, the evidence must be available at the hearing.

No evidence may be presented after the hearing. Although this is not a legal proceeding, families may, at their own expense, use an attorney or other representative to assist in presenting evidence.

The family will have an opportunity to review the file, including any documentation PCHD uses to support the decision to terminate assistance. If the family wishes copies of any documentation from the file, the family may obtain copies at their own expense. PCHD will make copies for the family and will assess a charge of $.25 per page. Under no circumstances is the family allowed to remove the file from PCHD's office.

The family will receive a notice of the hearing findings and the Hearing Officer's decision within 10 days after the hearing. A brief explanation will be included with decision. The request along with supporting documentation and a copy of the final decision will be retained with the participant's file, which is kept in accordance with PCHD's record retention policy.

Participants who do not attend the hearing, either in person or (as a reasonable accommodation) participate by phone or video conference, will not have a further opportunity for a review of the decision.

EFFECT OF DECISION: PCHD NOT BOUND

PCHD is not bound by a Hearing Officer's decision concerning any matter for which PCHD is not required to provide an opportunity for an informal hearing under this section, or if the decision otherwise exceeds the authority of the person conducting the hearing under above hearing procedures.

PCHD is not bound by decisions that are contrary to HUD regulations or requirements or are otherwise contrary to Federal, State or local law.

If PCHD determines it is not bound by a hearing decision, the participant will be sent written notice within 10 days after receiving notification from the Hearing Officer. The notice will include PCHD's reason for its decision.

FRAUD

Fraud is a deliberate act of deception or knowing misrepresentation committed in order to obtain assistance under this or any Federal, State or local assisted housing program. In most instances a violation of family obligations or violation of the HAP Contract terms are the result of an oversight or misunderstanding on the part of the family or owner. However, in cases where fraud is suspected PCHD will take steps to determine if further action is needed.

If PCHD has a preponderance of evidence that fraud has occurred, PCHD will act with due diligence to remedy the situation including reporting the information to the HUD Office of Inspector General (HUD OIG) and local law enforcement for further investigation. Any applicant, participant or owner who fraudulently receives housing assistance payments under the voucher program is subject to criminal prosecution pursuant to North Carolina General Statute 15 § 157-29.1.

An applicant that has committed or attempted to commit fraud, based on a preponderance of evidence, will be deemed ineligible and the voucher will be withdrawn (if one has been issued). A participant who has committed or attempted to commit fraud, based on a preponderance of evidence, will be terminated from the program. PCHD will terminate the HAP Contract with an owner who has, based on a preponderance of evidence, committed or attempted to commit fraud. As required by HUD, PCHD will attempt to recover any amounts paid under fraudulent circumstances.

Chapter 8
PROJECT BASED VOUCHER PROGRAM

Currently, PCHD administers 40 Project-based Vouchers (PBV) at Seven Oaks Apartments in Burgaw, North Carolina. PCHD received a waiver from HUD allowing all 40 units in the complex to take advantage of the PBV program.

The PBV program is subject to the regulations at 24 CFR part 983, which includes regulations governing policies and procedures that are not specified in this Administrative Plan. Any reference or citation of the regulation given in this chapter has been included for the convenience of readers and is not intended as an authoritative or comprehensive citation. In addition to the policies and procedures stated below, and other PBV regulations as stated at 24 CFR part 983, PCHD's PBV program is subject to most of the requirements of the Housing Choice Voucher Program, as specified in previous chapters of this Administrative Plan and in other HUD regulations.

WAITING LIST [24 CFR 983.251(c)]

The PBV program waiting list is maintained separately from the HCV program waiting list. PCHD has established waiting lists based on bedroom size. Families are currently listed on each waiting list by date and time of application.

PREFERENCES

PCHD will maintain a consolidated waiting list for all subsidized units in its portfolio, including USDA subsidized units. Families will be drawn from the waiting list in order of their preference and will be offered the first available unit of appropriate size based on the family's eligibility. The following preference system applies to waiting list:

- Date and time of receipt of a completed application.

APPLYING FOR ADMISSION [24 CFR 983.251]

Families may apply for admission to the PBV program is when the Waiting List is opened. Notification will occur as provided in the PCHD's Administrative Plan. Applications will be placed on the Waiting List by date and time order.

FAMILY'S RIGHT TO MOVE [24 CFR 983.260]

A family residing in a PBV unit may terminate the assisted lease any time after the first year of occupancy. Should a family terminate its lease, the family will not be entitled to continued tenant-based assistance or given priority for such assistance under this section. However, the family may apply for HCV program pursuant to the policies outlined in this Administrative Plan.

SELECTION PROCESS

When notified of a vacancy at Seven Oaks, PCHD will refer applicants according to PCHD's first-come, first-served policy for applicants on the consolidated waiting list. PCHD will begin the process of certifying an applicant's eligibility for assistance. Management at Seven Oaks will complete the background screening and certify the resident's eligibility for the project.

APPLICANT DEFERRED PLACEMENT

Families who prefer not accept a unit at Seven Oaks may defer the placement and remain on the waiting list by providing a written request to PCHD. Families who refuse offered units three times will be dropped from the waiting list and will receive notice of this action.

ADMISSION PROCESSING

The order of admission is based on the Waiting List. The Waiting List is sorted by date and time of application. Family size is not a factor in admission excepting when a family may over-crowd a unit or an available unit may be underutilized.

TENANT SCREENING [24 CFR 983.255]

PCHD's procedures for tenant screening for the PBV program are different than procedures for screening HCV program applicants, which are provided in this Administrative Plan. The management for Seven Oaks Apartments screen applicants for suitability as a resident, both from credit and criminal perspectives, based on management screening criteria.

FAMILY RESPONSIBILITY

At the time of the initial lease execution between the family and the owner, the family signs forms relative to their responsibility and family.

OVERHOUSED RESIDENTS [24 CFR 983.259]

If a family is determined to occupy a wrong-sized unit, or a unit with accessibility features that the family does not require (and such unit is needed by a family that requires the accessibility features), then PCHD must promptly notify the family and the manager of this determination and must offer assistance in another appropriately sized or accessible unit.

RESIDENTS REQUESTING LARGER UNITS

Except in the case of overcrowding, residents who believe that their family may qualify for a larger unit may apply to the waiting list for a larger unit size. In the case a unit becomes over-crowded, management will offer the family the next available unit of a larger size.

PROJECT BASED PROGRAM PROPOSALS

PCHD is currently not entertaining any additional proposals to use vouchers in a project-based program.

Chapter 9
PROGRAMS FOR SPECIAL POPULATIONS

In response to needs in our community, PCHD will make a limited number of vouchers available for emergency assistance to certain special populations. The vouchers are to be used in accordance with the program criteria outlined below. The vouchers function identically to all other Housing Choice Voucher (HCV) program vouchers. However, the Application and Waiting List process for the vouchers is different and other restrictions on the use of the vouchers are stipulated in this chapter.

Up to five vouchers will be made available for use in an emergency housing assistance program for eligible victims of Domestic Violence. Up to five vouchers will also be made available to provide emergency housing assistance for eligible homeless veterans. Referrals will be taken from local partner agencies who are working to prevent homelessness and promote stability for families who meet the criteria outlined in this chapter.

EMERGENCY HOUSING ASSISTANCE FOR VICTIMS OF DOMESTIC VIOLENCE

Up to five vouchers will be available for families who are victims of domestic violence and who have a demonstrated need for emergency assistance to obtain suitable, affordable housing. The vouchers may be used for a period not to exceed five years to stabilize the family's living situation and allow time for the family to establish income and become independent. Otherwise, all HCV program rules, including those regarding income eligibility, apply.

If the maximum five vouchers are fully utilized, when a family leaves the program the voucher may be "recycled" for a new eligible family who meets the program criteria.

EMERGENCY HOUSING ASSISTANCE FOR HOMELESS VETERANS

Up to five vouchers will be available for eligible veterans who meet the definition of homeless and those on the verge of homelessness. Each veteran must have a demonstrated need for emergency assistance to obtain suitable, affordable housing. These placements are permanent assisted housing, which means a veteran may use the voucher for as long as the assistance is needed and he/she complies with program requirements. All HCV program rules, including those regarding income eligibility, apply.

If the maximum five vouchers are fully utilized, when a family leaves the program the voucher may be "recycled" for a new family who meets the program criteria.

SCREENING AND REFERRAL PROCESS FOR EMERGENCY ASSISTANCE – Domestic Violence

PCHD will accept referrals from Safe Haven of Pender, a shelter and counseling center for Domestic Violence victims. Families must participate in Case Management with Safe Haven. They must be actively working on stability for their families, including finding stable employment. Families must be in good standing with Safe Haven, including case management requirements.

Families must also be in good standing with Federal, State and local housing programs (including PCHD) to be eligible. Generally families who are domestic violence victims receive special consideration from Housing Agencies provided the Housing Agency is made aware of the situation. Therefore, families who flee domestic violence while receiving rental assistance from another housing agency are expected to be in good standing or be able to resolve outstanding issues with the other Agency within a reasonable period of time.

The term "reasonable" means the shortest amount of time considering the circumstances that led to the non-compliance. Families who leave other Housing Programs and are not good standing due to circumstances other than domestic violence may not be eligible for placement in this program.

SCREENING AND REFERRAL PROCESS FOR EMERGENCY ASSISTANCE – Homeless Veterans

PCHD will accept referrals from Continuum of Care partners for eligible homeless veterans who are working with case management to obtain benefits and stabilize their situation. Families must participate in Case Management and must be compliant with case management plans as outlined by the referring agency. Families must also be in good standing with Federal, State and local housing programs (including PCHD) to be eligible.

APPLYING FOR ADMISSION

These are referral only programs. At this time, there is no expectation that PCHD waiting list will be established. The nature of the programs are emergency housing programs, therefore a waiting list is not considered reasonable. Referring agencies may choose to establish a waiting list for their own purposes.

PCHD will be in contact with the referring agencies regularly to ensure they are aware of availability of space within the program and progress of applicants who have been referred. Families referred to PCHD are, hereafter, called applicants.

SELECTION PROCESS

Applicants will be referred by the appropriate partner Agency in accordance with established referral criteria to ensure that the family is eligible under the guidelines for the emergency housing program. PCHD will work with referred families to establish eligibility.

ADMISSION PROCESSING

The order of admission is based on date PCHD receives the referral. Placement is subject both to verification of applicant eligibility, completion of necessary documentation (including a release allowing the partners to share information) and availability of a voucher.

TENANT SCREENING

PCHD's procedures for tenant screening emergency housing referrals are no different than procedures for screening regular HCV program applicants. The procedures are outlined in other chapters of this Administrative Plan.

VOUCHER ISSUANCE, LEASING, ELIGIBILITY AND CONTINUING PARTICIPATION

All other procedures and requirements of the HCV program, as stated in other Chapters of this Administrative Plan, apply to these emergency housing programs unless specific exceptions are sited in this Chapter.

TIME LIMITED PARTICIPATION – Domestic Violence

Emergency assistance provided to DV Families will not be considered to be permanent assisted housing. Rather, families are required to sign an agreement acknowledging the time limit associated with the program. Participation is limited to a maximum of five years. Families are expected to participate in case management in order to reach goals that will help them become independent of the system within the time provided.

CASE MANAGEMENT REQUIREMENT – Domestic Violence and Homeless Veterans

One of the keys to success in both programs is effective case management. Participants are required to participate in and comply with case management for so long as case management is deemed necessary by the referring agency. The goal of this collaborative program is to help families be successful long term. Families must sign an acknowledgement that they understand the importance of complying with case management requirements.

Families who fail to comply with case management requirements may not be eligible for continue participation in the housing assistance program. Because these are programs based on partnerships and collaboration, case managers will have to ability to recommend termination of participation. However, termination of participation of families in the housing program that are not in compliance with case management requirements will be handled on a case-by-case basis to ensure that families do not lose assistance for minor issues that are easily remedied or that issues related to disabilities do not become permanent barriers to housing.

MEMORANDUM OF UNDERSTANDING – SAFE HAVEN OF PENDER

Safe Haven of Pender is the designated partner for the emergency Domestic Violence Voucher program. And Memorandum of Understand (MOU) has been created and will be signed by all parties upon approval of this Administrative Plan. The terms of the MOU are incorporated by reference and will be included in an exhibit to this Plan.

CONTINUUM OF CARE PARTNERSHIP – HOMELESS VETERANS

The Cape Fear Region has an established partnership of service agencies including the Veteran's Administration (VA), Family Endeavors (SSVF Family Services Contractor), Good Shepherd Center, Trillium Healthcare (a Managed Care Organization) who act as partners to house and support homeless veterans. We are making five vouchers available to the Continuum of Care Partnership to be used for eligible veterans who are not able to access VASH Program Vouchers. VASH is a partnership program between HUD and the VA to provide support housing assistance for disabled, homeless/near homeless veterans.

For each veterans placed in our program, will obtain consent from the veteran to work with his/her Case Management Partner for as long as case management is deemed necessary by the partnering agency. The agencies continue to monitor homeless veterans for several years after placement. We feel this partnership offers homeless veterans the highest chance of long term success.

DEFINITIONS

The following are definitions for terms used in the Administrative Plan.

Absorption – In portability, the point which a receiving PHA stops billing the initial PHA for assistance on behalf of a family and uses its own available funds under its ACC.

Annual Contribution Contract (ACC) – The written contract between HUD and a PHA under which HUD agrees to provide funding for the operation of the PHA's voucher program, including housing assistance and administrative expenses.

Adjusted Income - Annual household income less expenses allowed by HUD guidelines.

Administrative Fee - Fee paid by HUD to a PHA for the administration of the Housing Choice Voucher Program.

Admission – The effective date of the first HAP Contract for a family in a tenant-based assistance program.

Adult – A member of an applicant/participant family who is age 18 years of age or older.

Annual Income – All amounts, monetary or not, received by, going to or are on behalf of the family (including head, co-head or spouse even if temporarily absent) including any/all family members or amounts anticipated to be received from a source outside the family during the 12-month period following admission or annual examination. Amounts include those derived from assets to which any member of the family has access and which are not specifically excluded under HUD regulations.

Applicant – A person or family that has applied for housing assistance but is not yet a participant in the program.

Child (or Minor) – A member of an applicant/participant family (other than the head, co-head or spouse of the head of household) who is under 18 years of age.

Citizen – A national of the United States.

Continuously Assisted – An applicant is continuously assisted if the family is receiving assistance under any 1937 Housing Act program when the family is admitted to the Voucher Program.

Dependent – A child or an adult full-time student who is not the head, co-head or spouse. Foster-children and foster-adults are excluded from being a dependent.

Disabled Family – A family whose head, co-head or spouse is a disabled person.

Disabled Person – The Americans with Disabilities Amendments Act of 2008 defines a disabled person as a person having a physical or mental impairment that substantially limits one or more major life activities; a record (or past history) of such an impairment; or being regarded as having a disability.

Displaced Family – A person or family displaced by governmental action, or whose dwelling unit has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domestic Violence - Any abusive, violent, coercive, forceful, or threatening act or word inflicted by one member of a family or household on another can constitute domestic violence.

Elderly Family – A family whose head, co-head or spouse is a person who is at least 62 years of age.

Elderly Person – A person who is at least 62 years of age or older.

Eligible Family – A family that meets the definition of a family pursuant to HUD requirements and the terms of the Administrative Plan and whose income is within the income limits for admission and in which all household members are citizens or eligible non-citizens and who can provide social security numbers for all family members age two years or older.

Extremely Low Income – Families whose annual income does not exceed 30 percent of Area Median Income as determined by HUD.

Fair Market Rent (FMR) – The rent, including the cost of utilities, as established by HUD for units of varying size and type. The FMRs are published annually in the Federal Register.

Family – A single person or group of persons who will live together as a single household. Persons may be related by blood, marriage or operation of the law.

Family Rent to Owner – In the Voucher Program, the portion of the rent to the owner paid by the family.

Family Self-sufficiency (FSS) Program – A program established by a PHA in accordance with HUD guidelines to promote self-sufficiency of assisted families.

Family Share – The portion of rent and utilities paid by the family.

Full-time Student – A person who is attending a school/college or vocational training program on a full-time basis as defined by that institution.

Gross Rent – The sum of the rent to the owner (contract rent) plus any utility allowance.

Handicapped Assistance Expense – Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for handicapped or disabled family members, which enables another family member (including the handicapped member) to work.

Housing Assistance Payment (HAP) Contract – A written contract between a PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

Housing Quality Standards (HQS) – The HUD minimum quality standards for housing assistance under the tenant based housing programs. Each unit occupied by a participating family must meet the inspection standards set out by HQS.

HUD – United States Department of Housing and Urban Development.

Imputed Income – Income on assets determined using the HUD-approved passbook rate times total cash value of assets when the assets exceed $5,000. As of this writing, the HUD passbook rate for this region is 0%.

Imputed Welfare Income – The amount of income not actually received by a family, as a result of a welfare benefit reduction due to sanctions or other adverse action, which must be included in a family's annual income for the purposes of determining rent.

Income Limits – Limits on income established by HUD for admission to the low-income housing program.

Initial Contract Rent – The contract rent at the beginning of the initial lease term.

Initial PHA – In portability, (1) the term referring to the PHA that originally selected a family to participate in its program before the family decided to move out of the PHA's jurisdiction, (2) a PHA that absorbed a family but then the family decides to move out of its jurisdiction.

Initial Lease Term – The initial term established at the beginning of the assisted lease, generally expected to be a one-year term (12 months).

Initial Occupancy – The date on which a family first assumes possession of or occupies a unit.

Jurisdiction – The area in which the PHA has authority under State and local law to administer housing assistance programs.

Lease – A written contract or agreement between an owner and a family for leasing/renting a unit by the owner to a family. The lease outlines the responsibilities of the owner and the tenant of the rental unit.

Lease Addendum – Any addendum to the lease, including the HUD Tenancy Addendum, that amends or adds to the terms in the body of the lease.

Live-in Aide – A person who resides with an elderly or disabled person(s) and who is not obligated for support of the family but who is essential to the care and well-being of the elderly or disabled person. This person would not be living in the unit except to provide necessary supportive services to the elderly or disabled person.

Local Preference – A preference used by the PHA to select among applicant families.

Low Income – Families whose annual income does not exceed 80 percent of Area Median Income as determined by HUD.

Manufactured Home – A manufactured structure that is built on a permanent chassis and is designed for use as a principle place of residence. The unit and the space on which it is located must meet HQS.

Manufactured Home Space – A space leased by an owner to a family who owns a manufactured home that will be occupied by that family on that space.

Medical Expenses – For elderly/disabled families only, the total medical expenses, including medical insurance premiums, anticipated during the period for which Annual Income is computed. Only the out-of-pocket cost to the family is counted when the family is paying for the expense.

Metropolitan Statistical Area (MSA) – A group counties and cities into specific geographic areas linked for the purposes of a population census and the compilation of related statistical data.

Mixed Family – A family whose members include those with citizenship or eligible immigration status, and those without legal status.

Monthly Adjusted Income - One-twelfth of the adjusted annual income.

Public Housing Authority (PHA) – Authorized by a city or county and activated by resolution, a housing authority is a separate public body for providing assisted housing.

Resident – Also known as Tenant - A person or persons (other than a live-in aide) who executes the lease and who has legal capacity to enter into a lease under State or local law.

Security Deposit – An amount stipulated in the lease and deposited by the resident with the owner to cover the cost of resident caused damages and/or unpaid rent upon termination of a lease.

Service Member or Activity Duty Military Member – A person who is currently serving active duty in the military (any branch of the armed forces) of the United States.

Special Admission – Admission of an applicant that is not on the PHA waiting list, or without considering the applicant's waiting list position, in accordance with HUD requirements and the terms of this plan.

Student – A person enrolled either full-time or part-time in an institution of higher education as defined under section 102 of the Higher Education Act of 1965.

Subsidy Standards – Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Substandard Housing - Housing that is dilapidated; that does not meet HQS as decent, safe and sanitary; is not fit per the terms of a governmental declaration or was not intended for human habitation. A unit that does not meet the family's needs due to size or because one or more families will be residing in the same unit.

Utilities – Electricity, gas (liquid propane or natural), oil for heat, water, sewer, trash or other heating. Telephone and internet are not considered utilities.

Utility Allowance – The PHA's estimate for average monthly utilities for an energy conscious household that vary by unit size and type.

Utility Reimbursement – The portion of the housing assistance payment which exceeds the amount of the rent to the owner (if any).

Very Low Income - Families whose annual income does not exceed 50 percent of Area Median Income as determined by HUD.

Veteran – A person who has served in the military at any time and who was discharged or otherwise released under conditions other than dishonorable.

Voucher – A document issued by a PHA to a family selected for admission to the Voucher Program. The voucher is a contract for performance by the family and describes the program and procedures for eligible families to successfully participate in the program.

Voucher Holder – A family holding a voucher with an unexpired term.

Waiting List Admission – An admission from the PHA's Waiting List.

Welfare Assistance – Income assistance from a Federal or State welfare program including assistance provided under the Temporary Aid to Needy Families (TANF) program known as "Work First" in North Carolina.