

DELAWARE STATE HOUSING AUTHORITY  
ADMINISTRATIVE PLAN  
FOR THE  
SECTION 8 MOVING TO WORK VOUCHER PROGRAM

504 Compliance Statement

This document will be kept in an accessible location and can be examined by individuals with handicaps Monday through Friday between the hours of 8:00 AM and 4:30 PM.

DSHA will provide assistance to individuals with handicaps to insure equal access to this document.

See statement inside front cover.

APPROVED BY DIRECTOR: September 1, 2007

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## **I. STATEMENT OF POLICIES AND OBJECTIVES**

The Section 8 Program was created by the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements are described in and implemented through this Administrative Plan. The most recent change is the complete merger of the Section 8 Certificate and Voucher Programs in to one Program titled **Housing Choice Voucher Program**.

Administration of the Section 8 Program and the functions and responsibilities of the Delaware State Housing Authority (hereafter referred to as DSHA) staff shall be in compliance with DSHA's Personnel Policy, Affirmative Action Plan and this Administrative Plan. In addition, DSHA will comply with the Department of Housing and Urban Development's (HUD) Section 8 regulations and all Federal, State, and local Fair Housing Regulations.

On April 16, 1999 HUD and DSHA signed a **Moving to Work Demonstration Agreement**, hereinafter referred to as the MTW Program, which established a five year program mandatory for Voucher holders who are not elderly or disabled. The program is intended to promote self-sufficiency through mandatory participation and includes a five year time-limit on assistance, capped rents, savings account escrows, merging the Public Housing and Section 8 Voucher waiting lists and the provision of family case management services. Requirements in this Administrative Plan which are unique to the MTW Program participants will be identified as such, and references will be made to the MTW Procedures Manual.

### **A. PURPOSE OF THE PLAN**

The Section 8 Program is designed to achieve four major objectives:

1. To provide decent, safe and sanitary housing for very low-income families while maintaining their rent payments at an affordable level.
2. To promote freedom of housing choice and spatial deconcentration of very low income families of all races and ethnic backgrounds.
3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.
4. To encourage self sufficiency of participant families.

The purpose of the Administrative Plan (Plan) is to establish policies for items which are not covered under Federal regulations for the Section 8 Voucher Program. Regulations can be found in 24 CFR Parts ,5, 982, and 985. The Plan covers both admission to and continued participation in this program.

Changes to the Plan will be approved by the Director of the Delaware State Housing Authority.

DSHA is responsible for complying with all subsequent changes in HUD regulations pertaining to this program. If such changes conflict with this Plan, HUD regulations will have precedence.

### **B. FAIR HOUSING AND 504 POLICY.**

It is the policy of DSHA to comply fully with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and any legislation protecting the individual rights of tenants, applicants or staff which may subsequently be enacted.

DSHA shall not discriminate because of race, color, sex, religion, age, disability, familial status or national or ethnic origin in the leasing, rental, or other disposition of housing or related facilities (including land), included in any Development or Developments under its jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

DSHA shall not, on account of race, color, sex, religion, age, disability, or national origin:

1. Deny to any family the opportunity to apply for Section 8 assistance, nor deny to any eligible applicant the opportunity to lease housing suitable to its needs;
2. Provide housing which is different than that provided others;
3. Subject a person to segregation or disparate treatment;
4. Restrict a person's access to any benefit enjoyed by others in connection with the public housing program;
5. Treat a person differently in determining eligibility or other requirements for admission to the program; or
6. Deny a person access to the same level of services.

DSHA shall not automatically deny admission to a particular group or category of otherwise eligible applicants (e.g., families with children born out of wedlock, elderly pet owners, or families whose head or spouse is a student). Each applicant in a particular group or category will be treated on an individual basis in the normal processing routine.

DSHA will seek to identify and eliminate situations or procedures which create a barrier to equal housing opportunities. In accordance with Section 504, DSHA will make such procedural, administrative, locational, or physical changes as required to provide individuals with disabilities (applicants or residents) with the opportunity to achieve equal access to housing and such related benefits and services as provided by DSHA.

Such accommodations will be reasonable in accordance with the 504 regulations. In reaching an accommodation with an otherwise qualified individual with disabilities, DSHA is not required to:

1. Make structural alterations when other methods can be demonstrated to achieve the same effect;
2. Provide support services that are not already part of the Section 8 housing program;
3. Take any action that would result in a fundamental alteration in the nature of the Section 8 program or services provided through that program;

4. Take any action that would result in an undue financial and administrative burden on the Authority.

To further its commitment to full compliance with applicable Civil Rights laws and Section 504, DSHA will provide Federal/State/local information to Voucher holders regarding discrimination and any recourse available to them should they feel they have been made the victim of discrimination. Such information will be made available during the briefing session and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holders packet.

Information provided shall inform the applicant of who may file, confidentiality of the complainant, when to file, where to file complaints, and what the complaint should contain.

DSHA subscribes to HUD's "open-housing" policy and, as such, will maintain lists of available housing submitted by owners in all areas within DSHA's jurisdiction to ensure "greater mobility and housing choice" to eligible households served by this agency.

### **C. PRIVACY RIGHTS**

Applicants, participants and family members 18 years of age and older will be required to sign the Authorization for the Release of Information/Privacy Act Notice, form HUD-9886. This form describes the circumstances under which DSHA will obtain or release applicant and participant information from or to third parties, as well as information the applicant or participant must supply to DSHA in order to determine eligibility.

Information not included on form HUD-9886 will be covered by family-authorized release forms addressing the specific purpose.

### **D. TERMINOLOGY**

"Family" is used interchangeably with "applicant" or "participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

The Section 8 Program is also known as the Housing Choice Voucher Program.

See the Glossaries for other terminology.

## **II. ABOUT THE AUTHORITY**

DSHA implemented the Section 8 Existing Payments Program in February 1977 with 112 Section 8 Certificates. In May of 1985, DSHA was invited to participate in the Small PHA/Rural Area Housing Voucher Demonstration Program with an award of 66 Section 8 Vouchers. Over the years subsequent awards of funding for additional Certificates and Vouchers resulted in DSHA now administering 868 Housing Choice Vouchers.

In conjunction with DSHA's implementation of the MTW Program and new federal legislation, all Section 8 Certificates were converted to Vouchers beginning in August 1999. Additionally, HUD funding for the Section 8 Voucher and Public Housing Programs were combined into one block grant for the five year MTW Demonstration Program.

### **A. ORGANIZATIONAL SET-UP**

The Program is operated by the Management Section of DSHA under the general direction of the Housing Management Program Administrator (Administrator). Day-to-day operation is the responsibility of the Assistant Housing Management Program Administrator (Assistant). The Assistant is responsible for monitoring the achievement of the Program goals established by the Administrator, assuring that staff is adequately trained in the policies and procedures, and directing all Section 8 activities. The Assistant is also responsible for reviewing and signing all Housing Assistance Payment (HAP) Contracts.

The activities of the Program are divided into two separate areas. One area, staffed by the Intake Office Supervisor and two Occupancy Specialists is responsible for outreach to applicants, waiting list maintenance, intake, enrollment interviews and briefings. The other area, staffed by the Occupancy Supervisor, two Housing and Recertification Specialists and one Housing Payments Specialist, is responsible for outreach to landlords, housing quality standards (HQS) inspections and recertifications. These activities are described more fully throughout this Plan.

Case managers employed by an outside agency will provide case management services to Section 8 families who are participating in the Moving to Work Program.

There are three clerical support staff whose functions include answering general questions about the Program, processing forms and correspondence, and other related duties.

Two full-time offices in Dover (Kent County) are operated by the Section 8 Program staff. Voucher holders are processed at 26 The Green, while applicants for the program are processed at the Liberty Court Community Building at 1289 Walker Road.

A part-time office is open one day a week in Bridgeville (Sussex County) at the Laverty Lane Public Housing Community Building. This helps alleviate transportation problems for those who would otherwise be required to travel to a Dover office. A toll-free number to the Liberty Court office in Dover is also available for Sussex County residents.

### **B. LEGAL JURISDICTION**

The Area of Operation for the Voucher program includes all of Kent and Sussex Counties including any incorporated cities.

### **III. OUTREACH PROCEDURES**

#### **A. FAMILY OUTREACH**

DSHA publicizes and disseminates, on a regular basis, information concerning the availability and nature of housing assistance and related services for very low income families. DSHA makes this information known to the public in newspapers, minority media, radio, television and information releases to appropriate agencies.

Other service providers throughout the jurisdictional area are routinely provided information and applications for their clientele. Applications are also available in a Spanish language version.

To reach persons who cannot read the newspapers, DSHA will distribute fact sheets to the broadcasting media. Personal contacts with the news media and with community service personnel, as well as public service announcements, will be made.

To assist the vision impaired, notices (or portions of notices) placed in the print media shall be in large type. In addition, DSHA will make an effort to increase its use of radio and TV public service announcements.

**Example:** Announcement on the opening of the Section 8 three bedroom waiting list is: (a) sent to service groups for the disabled; (b) appears in large type in the monthly publication of the Handicapped Advisory Network of Delaware (c) posted at wheelchair height on community bulletin boards; (d) sent to radio and TV as a public service announcement; and (e) published in local newspapers in large type.

In addition family outreach materials, informational brochures, program fact sheets, etc., may be made available in large type versions. DSHA will make an effort to provide program information in publications targeted for specific disabled groups.

#### **B. OWNER OUTREACH**

It is the policy of DSHA to recruit owners to participate in the program, and to provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout DSHA's jurisdiction. Public invitations are issued to owners, as needed, to make dwelling units available for leasing by eligible families.

The DSHA staff holds formal and informal discussions and meetings with private property owners, property managers, and real estate agencies. Program requirements are explained and printed material is offered to acquaint the owner/manager with the opportunities available under the program.

DSHA maintains a list of interested landlords and their property available for the Section 8 Program and updates this list weekly. When inquiries from prospective new owners are received, program staff record the necessary information about the units and make it available to prospective tenants upon request.

DSHA makes a concerted effort, via memoranda, to keep landlords informed of program changes that make the program more attractive to owners. Unusual experiences of a landlord that may be pertinent to others involved in the program are also passed along in the memoranda.

In an effort to attract owners with accessible/adaptable units DSHA periodically notifies participating owners of 504 requirements and describes the physical requirements of an adaptable or accessible unit. Owners with units meeting the stated requirements are asked to contact the agency so that the accessible features can be confirmed by inspection. From time to time, based on the demand for accessible/adaptable units, DSHA will advertise in the media for owners with such units.

#### **IV. ELIGIBILITY FOR ADMISSION**

To be eligible for admission, an applicant must meet HUD's criteria for eligibility determination, as well as any additional criteria established by DSHA. The minimum age to be eligible for admission as the head of household shall be 18 years old, or less than 18 years if legally emancipated.

HUD has four factors for eligibility:

- Family Composition
- Income Limits
- Provision of Social Security Numbers
- Evidence of Citizenship or Eligible Immigrant Status - (At least one family member must be either a U.S. citizen or have eligible immigration status before DSHA will provide any financial assistance)

Other criteria for admission which relate to prior history on DSHA Programs and criminal history are defined in Section E.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the following factors and will not be verified until selection from the application pool for a Voucher is made.

#### **A. FAMILY COMPOSITION**

The applicant must qualify as a Family. A Family consists of:

1. Two or more persons sharing residency whose income and resources are available to meet the family's needs and who are either related by blood, marriage, adoption, guardianship, or operation of law, or two or more persons who are so related, are regularly living together, and can verify shared income or resources.

Evidence of may include any of the following: birth certificates of the children, joint tax return, prior lease (held jointly), joint bank accounts, insurance policies, prior joint credit history, or equivalent documentation as determined by DSHA.

An expectant mother with no other children will qualify for assistance as a family. She will be listed on the waiting list and qualifies for admission into housing unless she aborts or miscarries prior to Voucher issuance. Once she is admitted as a single pregnant woman, she will be considered the remaining member of the tenant family if she aborts or miscarries.

2. Eligible single persons. Singles who meet any of the requirements below have preference over all other singles:

- a. Elderly. (See Glossary for definition)
- b. Disabled. (See Glossary for definition)

c. Displaced. (See Glossary for definition)

d. Any other single person.

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

### **Head of Household:**

The head of household is the person who assumes legal responsibility for the household and is listed on the application as head.

A family may not designate a family member as head of household solely to qualify the family as an Elderly Household.

### **Live-In Attendants:**

A Family may include a live-in attendant who:

1. Has been determined by DSHA to be essential to the care and well being of the elderly or disabled family member; and
2. Is not obligated for the support of the elderly or disabled member; and
3. Would not be living in the unit except to provide care of the elderly or disabled family member; and
4. Whose income will not be counted for purposes of determining eligibility or rent; and
5. Has no rights of tenancy or continued occupancy and is not considered to be a remaining member of the tenant family.

Relatives are not automatically excluded from being care attendants, but must meet the definition described above.

To determine whether a live-in attendant is "essential to the care and well being of the elderly or disabled person", DSHA will send a third party verification to a reliable medical source familiar with the applicant. The letter will request exact information on the services the live-in attendant needs to provide to make the live-in attendant essential.

### **Multiple Families in the Same Household:**

It is possible to have what appears to be two families in the same household, such as a mother and father and daughter with her own family. If the family applies as a family unit, they shall be treated as a family unit.

### **Households Split Prior to Voucher Issuance:**

In those instances when a family on the PHA's waiting list becomes divided into two otherwise eligible families due to divorce or legal separation, and the new families cannot agree as to which new family unit should continue to retain the position on the waiting list, DSHA must determine which of the families will retain the placement on the waiting list.

DSHA will abide by any Court determinations as to which family will retain the place on the waiting list. The person listed as 'head' on the application will retain the place on the waiting list if there are no children in either family or if both new families include children based on a legal determination of custody.

Documentation is the responsibility of the requesting parties. If it is not provided within 10 working days of the family's notification of change of family composition, DSHA reserves the right to make the decision based on who is listed as 'head' on the application.

An exception may be granted in the case of a battered spouse who will normally retain the position on the waiting list. Verification of the situation will be required.

### **B. INCOME LIMITATIONS**

The annual income for families admitted to the program will not exceed 80 percent of median. At least 75 percent of the families admitted shall not exceed 50 percent of the median income limit as established by HUD and DSHA in the MTW Demonstration Agreement, except for low-income families in the following categories:

1. Continuously assisted under the 1937 Housing Act. This means that the family has had an interruption in assistance of less than 4 months between assisted occupancy of a 1937 Act program unit and admission to DSHA's tenant-based program.
2. Physically displaced by rental rehabilitation activity under 24 CFR part 511.
3. Non-purchasing family residing in a HOPE 1 or HOPE 2 project.
4. Non-purchasing family residing in a project subject to a home ownership program under 24 CFR 248.173.
5. Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR.165.
6. Qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.

In accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998, the 75 percent of admissions cited above can decrease by 10 percent if there is a corresponding increase in the number of admissions beyond the minimum required in DSHA's Public Housing Program.

The applicable income limit for issuance of a Voucher when a family is selected for the program

is the highest income limit for that family's unit size for areas in DSHA's jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. The family may only use the Voucher to rent a unit in an area where the family is income eligible at admission to the program.

### **C. MANDATORY SOCIAL SECURITY NUMBERS**

All family members are required to provide Social Security numbers for all family members age 6 and older prior to admission, or certify that they do not have a Social Security number. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of Social Security numbers is grounds for denial or termination of assistance.

### **D. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS**

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

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

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their assistance will be prorated and that they may request a hearing if they contest this determination.

No eligible members. Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

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

### **E. OTHER CRITERIA FOR ADMISSION**

Other criteria must be met for an applicant to be eligible for assistance under DSHA's Section 8 Program. Some criteria allow DSHA to deny listing on the waiting list, while others can delay processing for assistance. Families will be denied listing on, or removed from, the waiting list if:

1. any member has been evicted from Public Housing within the last **five** years.
2. a PHA has terminated assistance in the Certificate or Voucher Program for any family member within the last **five** years.

3. any member has engaged in or threatened abusive or violent behavior toward DSHA personnel.
4. any member has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
5. any member has committed drug-related criminal activity or violent criminal activity within the last **five** years (see Chapter XVIII and 24 CFR 982.553).
6. any member is a registered sex offender.

All family members 18 years or older will be required to obtain a Delaware criminal history report at DSHA expense. If the report indicates criminal activity outside Delaware, and FBI report will be required, also at DSHA expense.

If the family member culpable for the action causing rejection is removed from the application, and the family agrees, in writing, that the member will not reside in the unit, the application will be reconsidered.

The family must have paid any outstanding debt owed DSHA or another PHA on any previous tenancy for Public Housing or the Section 8 Certificate or Voucher programs. No Repayment Agreement will be accepted. The family can be placed on the waiting list, but must repay in full in order to be considered eligible for admission. The debt must be repaid by the date a Voucher is available or they will be dropped from the waiting list.

#### **F. SUITABILITY OF TENANT**

In issuing Vouchers, DSHA may not screen for factors which relate to the suitability of the applicant family as tenants. It is the responsibility of the owner to evaluate prospective tenants. Such screening factors may include (but are not limited to) the history of payment of rent and utility bills, outstanding debts owed to previous owners, history of damage to rental properties, police record and employment.

DSHA will provide prospective landlords with the family's current address and, if known, the name and address of the family's current and prior landlord. The information will be included on the Request for Tenancy Approval. Families will be advised of this policy when they are issued a Voucher.

#### **G. CHANGES WHICH OCCUR BETWEEN FINAL ELIGIBILITY DETERMINATION AND EXECUTED CONTRACT DATE**

Changes which occur during this period may affect eligibility to lease a unit. If a Voucher holder is no longer eligible for the program, the family will be notified of their ineligible status in writing and an informal review, or an informal hearing if assistance is denied due to non-citizen status, will be offered.

## **V. APPLYING FOR ADMISSION**

### **A. Application Process**

Families wishing to apply for DSHA's housing programs must complete **and submit** an application when the waiting list is open. The minimum age to apply for housing programs as the head of household shall be 16 years old.

If the waiting list is closed and DSHA decides to open the waiting list, DSHA will announce in the local media when and where applications will be taken.

DSHA will also send the announcement to agencies whose clients are very-low income or disabled. Flyers will also be available **in the Waiting List and Housing Management Offices of DSHA.**

#### **Acceptance of Applications**

Any family requesting an application to **DSHA's Housing Choice Voucher (HCV) Program** will be given an opportunity to fill one out as long as the waiting list is open and DSHA is accepting applications.

**If the waiting list is open, applications may be made by any of the following methods:**

- 1) ONLINE via the internet at any time;**
- 2) BY FAX using the approved application form;**
- 3) BY MAIL using the approved application form;**
- 4) IN PERSON at the Waiting List Office during normal business hours.**

**Once the completed and signed application is received by the Waiting List office, it will be date/time stamped as indicated below. Any application received that is incorrect or incomplete will not be processed and will be returned to the Applicant.**

**ONLINE: If application is made online, it will be date/time stamped immediately upon successful electronic transmission. A hard copy of the application will print confirming successful transmission and indicating the assigned date/time stamp. The electronic signature created by the online application is a legal and acceptable form of signature for the purposes of DSHA's waiting list application process.**

**FAX/MAIL/IN PERSON: If application is made by fax, mail, or in person, it will be date/time stamped upon receipt by the Waiting List Office.**

Any family that applies to the DSHA Waiting List will be provided information about the Moving to Work (MTW) program. Applicants will be informed that participation in the MTW program is required for all DSHA Waiting List Applicants, unless specifically exempted from the program. Documentation to establish the exemption will be required during the verification/interview phase. The following Applicant families will be exempt from participation in the MTW program:

- a) Households whose head or spouse is 57 years of age or older and/or disabled;
- b) Households headed by an adult needed in the home to provide care for a

disabled child, as verified by legal or medical documentation.

The application process works as follows: (1) the Applicant completes the application form and is placed on the waiting list based on information on the form; (2) when the family's name comes to the top of the waiting list and DSHA is ready to issue a Voucher, DSHA will schedule an enrollment interview and will verify all necessary information.

Individuals who have physical impairments which would prevent them from making application by any of the methods described above may call the Waiting List Office to make special arrangements to complete the application. If needed, DSHA will also provide appropriate assistance for the hearing or vision impaired. In order to comply with any special outreach efforts, DSHA may also take applications at designated outreach sites.

### **Application Form**

DSHA records with respect to applications for admission to the Voucher Program shall indicate for each application the date and time of receipt; the determination by DSHA as to eligibility or non-eligibility of the applicant; the unit size for which eligible; and the preference rating.

The application form will include information on disability for the purpose of determining eligibility. Each application will include an attached form titled "Special Unit Requirements Questionnaire" that requests information on special housing needs. All applicants, without exception, will be required to complete the questionnaire. Any information obtained on disability will be treated in a confidential manner.

It is the applicant's responsibility to keep the waiting list office advised of any change in mailing address. Failure to respond to correspondence within specified time periods will cause the applicant's name to be removed from the waiting list. Reminders of this responsibility are included on the application and other pertinent letters and forms.

The application form for the **Housing Choice Voucher Program** is also used for DSHA's Public Housing and Section 8 New Construction (DSHA-owned) Programs.

### **B. CLOSING/OPENING OF WAITING LIST**

DSHA will endeavor to keep the waiting list open as long as it is administratively feasible. If required, the waiting list will be closed and re-opened in accordance with 24 CFR 982.206.

### **C. NOTIFICATION OF FAMILY STATUS**

If the family is preliminarily determined eligible based on the information on the application, the applicant will be informed ***via letter*** of the probable waiting period before their name will be reached to receive a housing subsidy. The DSHA correspondence will in no way lead applicants to believe that the estimated date is exact, but will stress that the estimated waiting period is subject to several factors that are beyond DSHA's control (i.e., preference determination, turnover, funding, etc.)

Ineligible applicants will be promptly notified via letter of the reason for their ineligibility and offered an opportunity for an informal review. See Section G below.

#### **D. VERIFICATION OF THE APPLICATION**

When DSHA estimates that a Voucher can be issued within 120 days, a letter will be sent requesting the applicant to schedule an enrollment interview. All adult family members are required to attend the interview with the head of the household. Exceptions are made for the disabled.

It is the applicant's responsibility to schedule this interview. If the applicant does not schedule an interview within 10 calendar days of the date on the letter, DSHA has the right to reject the applicant (See Chapter XXI). Rejection of the applicant means that his/her name will be removed from the waiting list and he/she must reapply when applications are being taken. Applicants will be notified in writing if the application is rejected for this reason. The rejection letter will include a statement advising the applicant of his/her right to an informal review. If a disabled applicant requests an informal review, refer to the Equal Access Statement at the front of this Plan.

All adult members of the family must sign an Authorization for Release of Information Form ***during the application process.***

At this time, a family that intends to request exemption from the MTW program must provide the documentation that will support the exemption request. DSHA will notify the family, in writing if the request for exemption will be granted. If the applicant is dissatisfied by the decision, he or she can request a review of the determination. This review must be requested, in writing, within ten (10) days of the date of the decision letter.

Third party verifications sent by mail, FAX, or computer are preferred. Oral third party verifications are acceptable if they are properly documented. If a third party verification is impossible, DSHA will use documents provided by the applicant. Documents will be photocopied when not prohibited by law. When documents cannot be photocopied, staff certification forms noting the document viewed will be used by recording the source of information, the information obtained, and signed and dated by the staff person who viewed the document.

If third party verification or tenant documents are not available as verification methods, DSHA will accept a notarized applicant certification with the information needed. Acceptable verification for preferences is listed under the PREFERENCE section.

If DSHA determines at the interview that more information or verification is needed, applicants will be given or sent a letter requesting the items within 10 calendar days of the date of the letter.

#### **E. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, DSHA makes its final determination of eligibility, based on the same factors as preliminary eligibility, but with data verified at this point in time.

The household is not actually eligible for Voucher issuance until this final determination has

been made, even though they may have been preliminarily determined eligible and placed on the waiting list. Family circumstances may have changed between initial application and final eligibility determination. It is also necessary to make a final eligibility determination because HUD can make changes in rules and regulations.

#### **F. PREFERENCE DENIAL**

If DSHA denies a preference claimed by the applicant, DSHA will notify the applicant of the reasons why the preference was denied and offer the applicant an opportunity for an **informal meeting**.

The informal meeting may be conducted by the person who made or reviewed the decision.

#### **G. INFORMAL REVIEW**

Applicants who are denied Section 8 assistance are entitled to an informal review of their application (See 24 CFR 982.554). People are considered "applicants" until there is an effective lease and subsidy contract, at which time they become "participants". (See Chapter XX for informal hearing procedures for participants.)

Families will be notified, in writing, of their right to an informal review and the procedures to follow to request the review. The request for a review must be made within 10 days of the date of the written notification of denial of assistance. The review will be held within 20 days of the receipt of the request.

The informal review shall be conducted by the Review Officer who is a person appointed by DSHA who is neither the person who made or approved of the decision under review or a subordinate of such person. The review may be tape recorded.

The Review Officer will regulate the conduct of the hearing. The applicant may present oral or written objections to the decision in question. The family has a right to legal counsel at their own expense. Both DSHA and the family must have the opportunity to present evidence and/or witnesses.

A notice of the Review Findings shall be provided in writing within 10 days to the applicant and shall include a brief explanation of the reasons for the final decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

DSHA shall promptly send a letter to the applicant if it determines DSHA is NOT bound by the Review Officer's determination, according to the reasons in Section XX, Complaints and Appeals. The letter shall include DSHA's reasons for this decision.

**NOTE: If a disabled applicant requests an informal review, refer to the Equal Access Statement at the front of this Plan.**

## **VI. ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST**

### **A. APPLICATION POOL**

An application pool will be maintained in accordance with the following factors:

1. The application will become part of a permanent file.
2. Applications will be maintained in order of local preferences (singles preference will be evaluated as applicable). Applications equal in preference will be maintained by date and time sequence.
3. In accordance with the Moving to Work Demonstration Program, seventy-five percent of all applicants admitted to DSHA's Section 8 Voucher or Public Housing Programs must meet "Very Low Income" eligibility requirements as established by HUD. This means, for example, that less than 75 percent could be admitted to one program as long as more than 75 percent were admitted to the other program so that the total admitted was at least 75 percent very low income. This requirement is counted on a calendar year basis. Any exceptions to these requirements must have been previously approved or listed as eligible by HUD. See Chapter IV.

### **B. WAITING LIST PREFERENCES**

Families of federally-declared disasters who are Public Housing residents in another jurisdiction will receive preference over all waiting list applicants.

U.S. Veterans or families of deceased veterans if the death was service related are placed above non-veterans in each preference category.

During the eligibility determination process, all applicants will be given the opportunity to show that they qualify for **local** preferences.

Special Admissions will not be considered part of the waiting list. Also, current participant families will not be considered part of the waiting list and will be treated under the "Transfer Policy" chapter of this Plan.

A total of **15 Vouchers have been set-aside** for family unification purposes. See Chapter XXV for details.

### **C. LOCAL PREFERENCES:**

Families are eligible for the following local preferences:

1. Residency - Living, working or have been notified that they are hired to work in Kent or Sussex County. A residential address must be provided.

2. Employment - One family member who has been working for at least **three** months or participates in the Delaware welfare reform program, **A Better Chance**. The elderly and disabled will be given a preference equal to employment.
3. No previous participation in the MTW Program - Head of household has never participated in the MTW Program or left voluntarily.

A public hearing is required for the adoption of, or change to, local preferences. DSHA will give public notice through advertisements in local newspapers, sending notices to current applicants, legal services offices and other service organizations, posting in DSHA offices and housing sites and holding an open meeting in each county to discuss the proposal and obtain comments.

DSHA may conduct a single hearing for local preferences for Public Housing and Section 8.

#### **D. PREFERENCE ELIGIBILITY**

Applicants will be placed on the waiting list according to information provided by them as to their qualifications for preferences. Preference claims will **not** be verified at the time of initial application.

Applicant circumstances may change while awaiting a Voucher offer. These changes may affect entitlement to a preference. Applicants are required to notify DSHA in writing, *or by way of DSHA's online application process* when their circumstances change. Whenever applicants claim a different preference, their position on the waiting list will be changed to reflect the newly claimed preference.

However, to be finally determined eligible, the applicant's current preference claim will be verified by DSHA at the time that a Voucher is expected to be available and the application process is completed.

If the applicant's preference cannot be verified, the applicant will be notified of the preference denial and given the opportunity for an informal meeting as authorized in Chapter V.

#### **E. INCOME TARGETING**

See Chapter IV, paragraph B.

#### **F. COMBINED WAITING LIST**

Under the MTW Program, DSHA's waiting list for the Section 8 and Public Housing Programs is combined. Applicants will be offered the first form of subsidy available.

Elderly and disabled applicants are exempt from the MTW Program and will retain their option to be placed on either or both of the Section 8 and Public Housing waiting lists. When an exempt applicant applies for the Section 8 Program, the applicant will also be added to the Public Housing list if it is open unless he/she declines the opportunity. An exempt applicant who applies for Public Housing will also be offered the opportunity to be added to the Section 8 waiting list if it is open.

## **G. ORDER OF SELECTION**

Selection from the waiting list will be made without regard to race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, ancestry, place of birth, sexual preference, disability, or source of income.

Applicants will be selected in the following hierarchical order of preference: NOTE: U.S. Veterans or families of deceased veterans if the death was service related are placed above non-veterans in each preference category.

1. Families of federally-declared disasters who are Public Housing residents in another jurisdiction
2. Residency, Employment, No Previous MTW Participation
3. Residency, No Previous MTW Participation
4. Employment, No Previous MTW Participation
5. No Previous MTW Participation
6. Residency, Employment
7. Employment only
8. Residency only
9. All others

Date and time of application will determine order between applicants with otherwise equal preferences. Elderly and disabled applicants automatically receive the same preference as employed persons.

## **H. MAINTAINING THE WAITING LIST**

After the preliminary eligibility determination has been made, applicants are placed on the waiting list in order of preference. The order of admission from the waiting list will **not** be based on family size or on the family unit size for which the family qualifies under DSHA occupancy policy.

The waiting list will contain the following information on families who have an active application:

1. Name of head of household.
2. Family unit size (number of bedrooms for which family qualifies under DSHA Subsidy Standards).
3. Date and time the application was received.
4. Status of local preferences.
5. Racial and ethnic designation of the head of household.

## **I. UPDATING THE WAITING LIST**

The waiting list will be updated and purged annually by DSHA to ensure that it is current and accurate.

DSHA will mail a letter to the applicant's last known address requesting, in writing, information regarding their continued interest in maintaining a place on the waiting list.

The request letter will include a deadline date by which applicants must inform DSHA of their continued interest. If DSHA fails to receive the applicant's notice of continued interest by the deadline date, the applicant's name will be removed from the waiting list.

If the letter is returned by the Post Office, with a forwarding address noted, DSHA will resend the letter.

Applicants will be given 30 days to return the notice of continued interest. DSHA does **not** accept responsibility for mail delays.

A written receipt for any change of address will be given to applicants when they provide DSHA with the new address.

If the applicant did not notify DSHA of a change of address, as required, DSHA will not be responsible for the applicant's failure to receive the update request.

## **J. FINALIZING THE DETERMINATION**

Completed and verified applications are filed until a Voucher is available, at which time the family will be called in for briefing and issuance of Vouchers in accordance with this Administrative Plan.

If an MTW eligible family is offered a Public Housing unit prior to being offered a Section 8 Voucher, their name will be removed from the combined waiting list. Conversely, if the family is offered a Section 8 Voucher, their name will also be removed from the list. If the family refuses the housing subsidy program first offered, the family will be removed from the waiting list. Refer to the MTW Program Procedures Manual.

Elderly and disabled applicants have the option of rejecting one form of subsidy and remaining on the list for the other type.

If DSHA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, DSHA will not skip the top waiting list family in order to admit an applicant family with a smaller family unit size that can be immediately supported with available funding.

A statistical report is prepared by the Section 8 staff each month to ensure that the number of Vouchers issued and over-issued is sufficient to maximize use of available subsidy funding.

## **K. SPECIAL ADMISSIONS**

If HUD awards DSHA funding for a special purpose, including funding for specified families or a specified category of families:

DSHA will use the assistance for the specified purpose; and

DSHA will admit families **not** on DSHA's waiting list, or if they are on the waiting list, without considering their position on the waiting list.

DSHA will maintain records showing that the family was admitted with HUD-targeted assistance.

**L. OFFER OF A VOUCHER**

Families will be given 10 days from the date on the letter to respond to any correspondence relating to the offer of a Voucher.

## VII. SUBSIDY STANDARDS

### A. VOUCHER SIZE ISSUED

HUD guidelines require that DSHA establish standards for the determination of Voucher bedroom size and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. They also must meet the minimum requirements of the Housing Quality Standards.

The unit size assigned to a participant serves as the basis for determining maximum rent that can be paid to an owner for the unit selected by the family under the Payment Standards established by DSHA.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size selected.

The subsidy standards are set up to determine the size Voucher to be issued. DSHA does not determine who shares a bedroom/sleeping room. Guidelines for maximum Voucher issuance include:

Persons of different generations, persons of the opposite sex (other than spouses), and unrelated adults, should have separate bedrooms;

Children of the same sex should share a bedroom;

Children of opposite sex may share a bedroom until one of the children reaches age 3;

Unborn children will be included in the size of the household;

Persons with verifiable medical needs or other extenuating circumstances could be provided a larger unit;

Foster children will be included in determining unit size;

Live-in attendants will generally be provided a separate bedroom;

Space may be provided for a child who is away at school but who lives with the family during school recesses;

Space will **not** be provided for a family member who will be absent most of the time, such as a member who is away in the military;

Units will be assigned so that a minimum of one person will occupy each bedroom;

Families will not be required to use rooms other than bedrooms for sleeping purposes in the Voucher size determination.

An increase in Voucher size will **not** be permitted for families who have additional children while enrolled in the MTW Program unless an HQS violation (see paragraph C below) would occur.

These general guidelines are used in determining Voucher size:

<u>VOUCHER SIZE</u>	<u>MINIMUM # PERSONS IN HOUSEHOLD</u>	<u>MAXIMUM # PERSONS IN HOUSEHOLD</u>
0 BR	1	1
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5-6 BR	6	10-12

The family may request a larger size than that listed on the Voucher by demonstrating to DSHA that a larger unit is required in accordance with the above guidelines. **The granting of the exception shall be at the discretion of DSHA.**

#### **B. WHEN CHANGES ARE TO BE MADE**

Participants will be notified when their situation dictates the issuance of another size Voucher. When a change is authorized, the family will be notified that they can move to a different size unit upon proper termination of their current lease. The payment standard for the new Voucher size will be used in the subsidy calculation at the next annual recertification if the family remains in the same unit, or for the new unit if the family moves.

If the family decides to stay in the same unit, assuming it meets the HQS requirements in paragraph C below, the total family contribution towards rent and utilities must not exceed 40 percent of their adjusted monthly income. This also applies if the family decides to move.

Families who are already on the program will be issued a new Voucher size before applicants from the waiting list are issued Vouchers.

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

#### **C. UNIT SIZE SELECTED**

The family may select a different size dwelling than that listed on the Voucher. There are two criteria to consider:

- 1. Rent Limitation.** DSHA must use the Payment Standard for the Voucher size or the unit size selected by the family, whichever is less.
- 2. Utility Allowance.** The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

**3. Housing Quality Standards.** HQS Standards allow 2 persons per living/sleeping room and would permit the following maximum occupancy, assuming a living room is used as a living/sleeping area:

0-BR	1
1-BR	4
2-BR	6
3-BR	8
4-BR	10
5-BR	12
6-BR	14

**D. DEVIATION FROM STANDARDS**

If any standards other than the above are used in determining or Voucher size issuance, the reason for departing from the standards shall be recorded in the tenant file at the time the deviation is made. The note to the file shall describe any special circumstances of the family which required the deviation from the general standards.

## VIII. INCOME CONSIDERATIONS AND DETERMINATION OF TOTAL TENANT PAYMENT

Income and the Total Tenant Payment (TTP) are calculated in accordance with 24 CFR Parts 5 and 982, and the Moving to Work Demonstration Agreement. This chapter explains policies used locally to ensure consistent application of HUD rules.

### A. DEFINITION OF TEMPORARY ABSENCE:

If the family has to leave the household for more than **3 months**, the unit will not be considered to be their principal place of residence and they will be terminated from the program.

If there is a one-parent home and the children are taken away from the parent because of abuse, but after counseling the children will be returned, DSHA will try to find out from the Division of Family Services how long it will be before the children will return. Even if the children are not returned, the parent will retain his/her eligibility as a remaining member of the tenant family. S/he will have to be issued a different size Voucher.

To determine whether and when the bedroom size should be changed, an approximate time of **three months** will be used as a guide, depending on the individual circumstances and verification provided.

If the single parent leaves the household and another adult is brought in to take care of the children while the parent is away, as long as the family continues to meet the definition of family, the family's assistance is not terminated. A change in family composition will be made if the stay is longer than the visitor provision defined in the lease (typically 30 days.)

#### 1. Spouse:

If the husband or wife leaves the household and will be gone for **6 months** or more of the recertification period and the family declares them permanently absent in writing, they will be determined permanently absent and will be removed from the lease. If the husband or wife leaves the household and the period of time is estimated to be less than **6 months**, the family member will be determined temporarily absent unless one of the situations below occurs.

If the husband or wife obtains a divorce or legal separation, the person who leaves the household will be considered permanently absent. (If the family member with children gives notice to DSHA before vacating the unit, DSHA will discuss the situation and make a determination as to who will retain the Voucher.)

If the spouse is incarcerated, a document from the court or prison should be obtained as to how long they will be incarcerated.

#### 2. Adult Child

If an adult child goes into the military and leaves the household, they will be determined permanently absent.

A student (other than husband or wife) who attends school away from home but lives with the family during school recesses may be considered permanently absent (income not

counted, not on lease, not counted for Voucher size) or temporarily absent (first \$480 of income counted, on lease, counted for Voucher size) at the family's option.

### **3. Joint Custody of Children:**

Children who are subject to a joint custody agreement but live in the unit **at least 50%** of the time will be considered members of the household. "50% of the time" is defined as **183 days** of the year, **which do not have to run consecutively**.

### **4. Sole Member of Household:**

If the sole member of the household has to leave the household for more than **3 months**, the unit will not be considered to be their principal place of residence and they will be terminated from the program unless the tenant requests an extension by submitting documentation from a reliable medical source that s/he will return within a total of **6 months (an additional 3 months.)**

If the sole member of the household has to leave the household to go to the hospital or nursing home, advice from a reliable medical source will be obtained as to the likelihood and timing of their return. If the medical source feels they will be permanently confined to a nursing home, they will be considered permanently absent. If they are temporarily confined, they will not be considered permanently absent. In no event, however, will the unit be considered their principal place of residence when they are out of the household for more than **6 consecutive months**.

### **5. Adult Family Members Other than Spouse:**

This applies to other persons who were declared to be members of the family, such as members living in a spousal relationship. If the family declares that they have been gone for 3 months or more of the recertification period and declares they are permanently absent in writing, they will be determined permanently absent.

Persons who report that an adult member has left the household in this situation must provide acceptable proof of absence if they are to be considered permanently absent during the first 3 months.

If the adult leaves the household and the period of time is less than 3 months, the family member will be determined temporarily absent unless one of these verifications are provided:

- a. Proofs of absence which would be acceptable would include proof that they were living in another location such as utility bills, canceled checks for rent, or telephone bills in their name at another location.
- b. If these proofs cannot be provided, DSHA will consider statements from other agencies such as the Welfare Department.
- c. If no other proof can be provided, DSHA will accept a notarized statement from the family.

The 3 months specified in this section starts from the time the family reported the change in family composition.

If the adult is incarcerated, a document from the court or prison should be obtained as to how long they will be incarcerated.

#### **6. Reporting to DSHA:**

The family will need to declare a member as permanently or temporarily absent in writing to DSHA. DSHA will advise the family at that time, or at reexamination, what the options are and how it might affect the TTP or the Voucher size.

The family should be counseled at briefings and reexamination on the effect of the permanently/temporarily absent policy on income.

#### **B. AVERAGING INCOME:**

There are two ways to figure income when the income is not received for a full year:

1. Annualizing current income (and subsequently conducting an interim reexamination if income changes); or
2. Averaging known sources of income that vary to compute an annual income (no interim adjustment if income remains what was calculated).

DSHA will use the annualizing current income method for all families unless a Supervisor approves a deviation.

Last year's income could be analyzed to determine the amount of income to be anticipated when it cannot be clearly verified.

If the **last 3 month's** income is representative of the income which may be anticipated for the next year, such as overtime worked when the employer cannot anticipate how much overtime the family member will have over the next year, **the last 3 months** may be used to estimate the annual income.

If the **last 3 month's** income is not representative of the income which may be anticipated for the next year, such as overtime worked only at Christmas, the overtime worked for the entire year will be used to estimate annual income.

If the anticipated income from the employer shows a raise in pay which is to occur **4 months** from the effective date of the recertification, income is to be calculated **at the old rate for 4 months and at the new rate for 8 months.**

If there are bonuses to be anticipated, but the employer does not know how much the bonus will be, **the bonus from last year**, if any, will be used for calculation purposes.

If, by averaging, a reasonable estimate can be made, that estimate is used instead of changing the HAP every month.

At reexamination, DSHA can use last year's income, if the income cannot be anticipated for the coming year, and average.

### **C. MINIMUM INCOME**

There is no minimum income requirement, but the staff should use good interviewing skills to determine if there actually is unreported income. Families can not be required to apply for welfare, but **potential income sources should be suggested to them.**

### **D. TEMPORARILY ABSENT FAMILY MEMBERS' INCOME**

Income of temporarily absent family members is counted.

If the spouse or the head of household is temporarily absent, his/her entire income is counted, whether or not s/he is on the lease.

For example, if there is a husband and wife who are on welfare and the husband is ordered to leave the household for 3 months. He gets a job after he leaves the household to support himself. Then he is reunited with his wife and he quits his job.

The husband is temporarily absent and the income from his job while he was out of the household is counted.

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire) are counted as income.

### **E. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME:**

If a family member is permanently confined to the hospital or nursing home, and there is a family member left in the household, DSHA will calculate the total tenant payment, using both of the methods listed below, and use the result that most benefits the tenant:

1. Exclude the income of the person permanently confined to the nursing home and give the tenant no medical deductions paid on behalf of the confined family member;
2. Include the income of the person permanently confined to the nursing home and give the tenant the medical deductions they have to pay on behalf of the person in the nursing home.

For determination as to whether the person is confined to a nursing home on a temporary or permanent basis, see the definition of Temporarily/Permanently Absent in this Plan.

### **F. REGULAR CONTRIBUTIONS AND GIFTS:**

Regular contributions and gifts received from persons outside the household are counted as income.

This includes rent and utility payments paid on behalf of the family and other cash or non-cash contributions provided on a regular basis.

It does not include casual contributions or sporadic gifts.

## **G. ALIMONY AND CHILD SUPPORT:**

Regular alimony and child support payments are counted as income.

If the child support is not received on a regular basis, DSHA must count the amount of child support in the divorce decree or separation agreement unless DSHA verifies that the income is not provided.

In order to calculate with any other amount than the amount in the award, DSHA must obtain a certification from the tenant as to how much is being received on an annual basis, plus they must have documentation in the file that the family has filed with the agency responsible for enforcing the payments.

When verification is received from the Division of Child Support, DSHA will use the amount received over the last 12 months if no projection of anticipated income can be made.

## **H. LUMP SUM RECEIPTS:**

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses are **not** included in income.

Lump-sum payments caused by delays in processing periodic payments [unemployment and welfare assistance, but **not** Social Security or Supplemental Security Income (SSI) benefits], are counted as income.

Treatment of accumulated periodic payments because the income was deferred due to a dispute is handled no differently than periodic payments which are deferred because of processing problems.

The calculation will be done prospectively for families who report the lump sum amount on a timely basis.

If the lump sum amount is received and reported so that it results in an interim adjustment, it will be calculated as follows:

The entire lump sum payment will be added to the rest of the annual income at the interim;

DSHA will determine the percent of the year the interim represented (3 months would be 25% of the year, leaving a 75% balance);

At the next annual recertification, DSHA will take 75% of the lump sum and add to the rest of the annual income;

The lump sum will be used in the same method for any interims which occur prior to the next annual recertification.

If the family does not report the lump-sum payment in a timely manner, the lump sum amount will be calculated retroactively in this way:

DSHA will calculate the lump-sum retroactively, going back to the date the lump-sum payment was to be considered, as long as that date is not prior to program participation.

If the lump-sum payment started 5 months ago, for example, the entire lump-sum amount is added to the Annual Income in effect 5 months ago and the TTP and Tenant Rent are recalculated. The new Tenant Rent is taken times the number of months that had elapsed until the current calculation and the difference between what was paid and what should have been paid is determined.

At DSHA's option, the tenant will enter into a Repayment Agreement or require that the entire amount be repaid at this time unless the entire payment represented an onerous burden on the family.

### **Attorney Fees**

Attorney fees may be deducted from lump sum payments when computing annual income when:

The attorney's efforts have recovered a lump-sum compensation for the wrongful reduction or denial of a periodic payment, and

The recovery does not include an additional amount in full satisfaction of the attorney fees.

In these situations, the tenant does not actually receive the entire amount of the past due periodic payment because s/he must pay the attorney fees.

This situation does not include those in which an amount is withheld from funds otherwise due the tenant to satisfy legitimate financial obligations unrelated to obtaining the income such as:

Withholding from wages to pay child support, alimony or a judgment creditor;

Garnishment for failure to pay child support, alimony, or a judgement creditor.

The situation does not include those where a tenant incurs attorney fees unrelated to asserting a right to a source of income or where no income results from the attorney's actions. These are the financial responsibility of the tenant and are not deducted in determining annual income.

### **I. CONTRIBUTIONS TO RETIREMENT FUNDS**

Contributions to company retirement/pension funds are handled in this manner:

While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

### **J. GRANTS AND SCHOLARSHIPS**

Educational scholarships include various educational entitlements, grants, work-study programs, and financial aid packages. These are all excluded from annual family income.

## **K. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE**

DSHA must count assets disposed of for less than fair market value during the two years preceding examination or reexamination. DSHA will count the difference between the market value and the actual payment received.

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

DSHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$1000. If the total amount of assets disposed of within a one year period is less than **\$1000**, they will not be considered an asset for the two year period.

If the total amount of assets disposed of within a one year period is more than **\$1000**, all assets disposed of for less than Fair Market value will be counted as assets for two years from the date the asset was disposed of.

## **L. CHILD CARE**

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time. In the case of a child attending private school, only after-hours care can be counted as child care expenses.

Child care **cannot** be given if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

The adult member in a documented child abuse situation;

A medically disabled or older person unable to take care of a small child, determined by doctor's statement.

The reasonableness standard for child care uses the following standards:

**1. Child care to work:** The maximum child care allowed will be based on the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

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

**3. Rate of Expense:** DSHA will consider a rate reasonable if it is being paid by other families to the same provider and is comparable to amounts paid in the area to other providers.

If the child care provider is an unlicensed individual, the individual must provide their Social Security Number and a statement of the amount that is being charged.

## **M. MEDICAL EXPENSES**

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

Non-prescription medicines must be doctor recommended with a specific dosage in order to be considered as a medical expense.

## **N. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES**

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

"Mixed" families who were participants on June 10, 1995, and who do not qualify for continued assistance must be offered prorated assistance (See Chapter XV). Applicant mixed families are

entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

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

## **O. MINIMUM RENT**

The minimum family contribution towards rent and utilities is the higher of \$25 or 10 percent of monthly unadjusted income. If the \$25 "minimum rent" amount is being used, families will be notified of their right to request a minimum rent hardship exception, and the documentation required to verify the claim. If the request is denied, the family will be notified of their right to an informal hearing.

A hardship exception may be granted for the following reasons:

1. Family has lost eligibility or is awaiting eligibility determination for a federal, State or local assistance program.
2. Family will be evicted as a result of the imposition of the minimum rent requirement.
3. Family income has decreased because of changed circumstances, including loss of employment.
4. Death in the family.
5. Other circumstances as determined by DSHA.

If the financial hardship is temporary in nature, the \$25 minimum rent may be suspended for up to 90 days. However, after the 90 day period is over, the family will be required to repay the suspended amount back to DSHA. If the hardship is of longer duration, no repayment will be required.

**P. DEPENDENT ALLOWANCE**

The family receives an allowance of \$480 for each family member who is 1) under 18 years of age, 2) a person with disabilities, or 3) a full-time student.

A child born to a family after 10 months from the beginning of the family's MTW contract is not entitled to a \$480 dependent allowance for that child.

A household head, spouse, foster child, or live-in aide may *never* be counted as a dependent.

A full-time student is one carrying a full time subject load (as defined by the institution) at an institution with a degree or certificate program.

**Q. ELDERLY OR DISABLED HOUSEHOLD ALLOWANCE**

An elderly or disabled family is any family in which the head or spouse (or the sole member) is at least 62 years of age *or* a person with disabilities.

Each elderly or disabled family receives a \$400 household allowance. Because this is a "household allowance" each household receives only one allowance, even if both the head and the spouse are elderly.

## **IX. VERIFICATION PROCEDURES**

### **A. GENERAL POLICY**

DSHA verifies family income, family composition, status of full time students, value of assets, factors allowing a preference, exemption from the MTW program and other factors relating to eligibility determinations before an applicant is issued a Voucher.

Eligibility information that can change, such as income, preference status, etc., must have been verified **no more than 60 days before** Voucher issuance. If the verification is more than 60 days old, it must be re-verified to determine if the applicant's status remains the same. Information that does not change, such as birth dates, Social Security Numbers, etc., only needs to be verified once.

### **B. METHODS OF VERIFICATION**

In the order presented, DSHA will attempt to effectuate:

#### **1. Third Party Verification.**

DSHA will follow 24 CFR Part 5, 24 CFR 982.516, and HUD Handbook 7420.7, Chapter 4, with respect to the types of verifications used. Information for items that must be verified will be gathered in accordance with Chapter 4, and any applicable regulations. Methods of verification are also described in Chapter 4, and as such will be the methods employed by DSHA in the administration of the program.

#### **2. Review of Documents.**

In the event neither third party written nor oral verification is possible, DSHA will request the applicant/participant to bring in actual documents.

All documents, excluding government checks, will be photocopied and retained in the applicant file.

Where "review of documents" occurs and forms cannot be photocopied, staff viewing document(s) will be required to complete a Document Viewed form.

#### **3. Applicant Certification/Self-Declaration(s).**

When verification cannot be effectuated by either third party verification or a review of documents, applicants will be required to submit a notarized statement.

Notarized statements are only to be used as a last resort, when the other forms of verification are impossible to obtain. A non-notarized tenant statement as a form of verification is not acceptable.

Certifications which do not have to be notarized include the Certification of the Divestiture of Assets.

### **C. RELEASE OF INFORMATION**

Families will be required to sign HUD form 9886, Authorization for the Release of Information/Privacy Act Notice and other appropriate verification forms not covered by HUD form 9886. Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in the denial of admission or termination of assistance.

### **D. COMPUTER VERIFICATION**

Where allowed by HUD and/or other State or local agencies, computer matching will be done. Computer printouts are acceptable forms of verification.

### **E. ITEMS TO BE VERIFIED**

**ALL INCOME** unless specifically excluded by the regulations;

**CURRENT ASSETS** (for those assets disposed of for less than fair market value in preceding two years, verification will simply be a "self certification");

**FULL TIME STUDENT STATUS** (as defined by the institution for persons carrying equivalent of what the school considers to be full-time for "day" students) - includes High School students who are 18 or over;

**TOTAL MEDICAL EXPENSES** for of all family members in households whose head or spouse is elderly or disabled;

**CHILD CARE EXPENSES** where it allows an adult family member to be gainfully employed or to further his/her education;

**DISABILITY ASSISTANCE EXPENSES** to include only those costs associated with attendant care or auxiliary apparatus which allows an adult family member to be employed;

**LEGAL IDENTITY;**

**ELIGIBLE IMMIGRANT STATUS;**

**SOCIAL SECURITY NUMBERS** for all family members over 5 years old;

**PREFERENCE STATUS;**

**FAMILIAL/MARITAL STATUS** if needed for head or spouse definition;

**FAMILY REQUESTING A LARGER UNIT THAN APPLICABLE** under DSHA's Occupancy Standards only where family can show that a larger unit is needed for "medical purposes" or other extenuating circumstances;

**PERSONS REQUESTING "PREFERENCE" STATUS**, based upon preferences approved in the applicable policies pertaining to the various programs;

**DISABILITY** for determination of preferences, allowances or deductions;

**EXEMPTION FROM MTW PROGRAM** for families requesting such exemption;

**ZERO-INCOME STATUS** of household will be verified initially and every 60 days thereafter. Families alleging to have **NO** income or unrealistically low income will be required to execute verification forms to determine that the more obvious forms of income such as unemployment benefits, AFDC, SSI, etc. are not being received by the household. The responses of these type of sources will then serve as third party **INDEPENDENT** verification. A "Survival Statement" will be completed.

Additionally, DSHA may request a credit report on these families to determine if there are any monies being paid on behalf of the household on a regularly recurring basis that should be included as income for rent determination purposes.

**F. ACCEPTABLE FORMS OF VERIFICATION:**

Specific information must be obtained to verify information provided by the applicant. The following verification information will be considered acceptable by DSHA in the order listed:

**1. Employment Income.** Verification forms **MUST** request the employer to specify the:

Frequency of pay;

Effective date of the last pay increase; and

Probability and effective date of any increase during the next 12 months.

Acceptable methods of verification include (in this order):

- a. Employment verification form completed by the employer.
- b. Check stubs or earning statements showing employee's gross pay per pay period or year to date earnings.
- c. W-2 forms plus income tax return forms.
- d. Notarized statements or income tax returns signed by the family for self-employment income, or income from tips and other gratuities.

**2. Social Security, Pensions, Supplementary Security Income (SSI), Disability Income:**

- a. Benefit verification form completed by agency providing the benefits.
- b. Award or benefit notification letters prepared and signed by the authorizing agency.

- c. Verifications provided by HUD via the Internet.

### **3. Unemployment Compensation:**

Records obtained via DSHA's computer link with the State Unemployment Office stating payment dates and amounts.

### **4. Welfare:**

Records obtained via DSHA's computer link with the Department of Health and Social Services (DHSS).

### **5. Alimony or Child Support Payments:**

- a. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- b. A letter from the person paying the support.
- c. Copy of latest check. DSHA must record the date, amount, and number of the check.
- d. Family's notarized statement of amount received and of the likelihood of support payments being received in the future, or that support payments are **not** being received.
- e. Records obtained with DSHA's computer link with DHSS.

If payments are irregular:

- a. Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- b. Statement from agency responsible for enforcing payments to show that family has filed.
- c. Family's notarized statement of amount(s) received.

### **6. Net Income From A Business:**

The following documents show income for the prior years. DSHA must consult with tenants and use this data to estimate income for the next 12 months.

- a. IRS Tax Return, Form 1040, including any:
  - Schedule C (Small Business)
  - Schedule E (Rental Property Income)
  - Schedule F (Farm Income)

- b. An accountant's calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
- c. Audited or unaudited financial statement(s) of the business.
- d. Loan Application listing income derived from the business during the previous 12 months.
- e. Applicant's notarized statement as to net income realized from the business during previous years.

**For a Child Care Business:**

An employment verification may be requested. For either verification used, the name, address, and phone of the employer should be provided if they work for the same person all year. It must also be signed and dated.

Verifications must specify the child care provider's name, the name of the adult whose children are being cared for, their address, and phone, the names of the children cared for, the frequency (number of times the babysitting occurs), the rate of pay, and the typical yearly amount, including school and vacation periods.

If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for. A handwriting comparison will be done between this document and documents provided earlier verifying childcare. If there are no differences this can serve as verification.

**7. Recurring Gifts:**

- a. Notarized statement signed by the person providing the gifts. Must give the purpose, dates and value of gifts.
- b. Family's notarized statement that provides the required information.

**8. Family Assets Now Held:**

For non-liquid assets, collect enough information to determine the current cash value (the net amount the family would receive if the asset were converted to cash).

- a. Verification forms, letters, or documents from a financial institution, broker, etc.
- b. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- c. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

- d. Real estate tax statements if tax authority uses approximate current market value.
- e. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
- f. Appraisals of personal property held as an investment.
- g. Family's notarized statements describing assets or cash held at the family's home or in safe deposit boxes.

**9. Assets Disposed of For Less Than Fair Market Value During Two Years Preceding Effective Date of Certification or Recertification:**

- a. For all Certifications and Recertifications, DSHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding effective date of the certification or recertification.
- b. If the family certifies that they did dispose of assets for less than fair market value -- a certification that shows: (a) all assets disposed of for less than FMV; (b) the date they disposed of the assets; (c) the amount the family received; and (d) the assets' market value at the time of disposition.

**10. Saving Account Interest Income and Dividends:**

- a. Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
- b. Broker's quarterly statements showing value of stocks or bonds and the earnings credited the applicant.
- c. If DSHA accepts an IRS Form 1099 from the financial institution, DSHA must adjust the information to project earnings expected for the next 12 months.

**11. Interest Income From Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement:**

- a. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the applicant is NOT sufficient since appropriate breakdown of interest and principal are not included.)
- b. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

**12. Rental Income from Property Owned by Applicant:** (This must be adjusted for changes expected during the next 12 months.)

- a. IRS Form 1040 with Schedule E (Rental Income).

- b. Copies of latest rent checks, leases, or utility bills.
- c. Documentation of family's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedules showing monthly interest expense).
- d. Lessee's written statement identifying monthly payments due the family and family's affidavit as to net income realized.

**13. Full-Time Student Status:**

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

**14. Child Care Expenses:**

- a. Written verification from the person who receives the payments. If the child care provider is an individual, they must provide their Social Security Number and a statement of the amount charged for the child care service.
- b. Verifications must specify the child care provider's name, address, phone number, the names of the children cared for, the frequency (number of times the babysitting occurs), the rate of pay, and the typical yearly amount, including school and vacation periods.
- c. Family's certification as to whether any of those payments have been or will be reimbursed by outside sources.

**15. Medical Expenses:**

- a. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, etc., of:
  - (1) the estimated medical costs to be incurred by the family and of regular payments due on medical bills; and
  - (2) extent to which those expenses will be reimbursed by insurance or a government agency.
- b. The insurance company's or employer's written confirmation of health insurance premiums to be paid by the family.
- c. Social Security Administration's written confirmation of Medicare premiums to be paid by the family over the next 12 months.
- d. For attendant care:
  - (1) Doctor's certification that the assistance of an attendant is medically necessary.

(2) Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family (or copies of canceled checks the family used to make those payments).

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

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

f. Copies of payment agreements with medical facilities or canceled checks that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

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

DSHA will use mileage at the rate approved for DSHA or cab receipts with to/from addresses listed for verification of the cost of transportation directly related to medical treatment.

**16. Medical Need for Larger Unit:** A reliable medical source must certify that such arrangements are medically necessary.

**17. Assistance to Disabled:**

a. Attendant Care:

(1) Attendant's written certification as to: amount received from the family; frequency of receipt; hours of care provided; and/or copies of canceled checks family used to make those payments.

(2) Certifications required in paragraph c below.

b. Auxiliary Apparatus:

(1) Receipts for purchases of, or evidence of monthly payments for, auxiliary apparatus.

(2) In the case where the disabled person is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

c. In All Cases:

(1) Written certification from a doctor or a rehabilitation agency that the disabled person requires the services of an attendant or the use of auxiliary

apparatus to permit the disabled person to be employed or to function sufficiently independently to enable another family member to be employed.

(2) Family's written certification as to whether or not they receive reimbursement for any of the expenses in paragraph 1 and 2 above and the amount of any reimbursement received.

### **18. Local Preferences:**

Eligibility for residency preference will be determined from the information contained on documents required for various other eligibility factors.

### **G. VERIFYING OTHER FACTORS OF ELIGIBILITY**

The following types of verification will be acceptable as methods to document the family's statements regarding family status.

To verify blood relationship, use driver's license or work ID to verify name.

Marriage certificate.

For stable family relationship, use these types of proof:

Joint bank accounts, purchases or loans.

Lease showing prior cohabitation.

Credit report showing residence and joint financial activity.

There must be verification that the person exists in the household, so birth certificates or some proof that the person is the person must be submitted.

Verification for adults would include at least one of these forms:

Certificate of Birth, naturalization papers

Church issued baptismal certificate

Legal driver's license

U.S. military discharge (DD 214)

U.S. passport

Voter's registration

Company ID

Health and Human Services ID

Social Security ID

Department of Motor Vehicles ID

Verification for minors would include at least one of these forms:

Certificate of Birth

Adoption papers

Custody agreement

Health and Human Services ID

School records

## Department of Motor Vehicles ID

Verification of divorce status would be accomplished by viewing a copy of the divorce decree, signed by a Court Officer.

Verification of a separation would be a copy of court-ordered maintenance.

Verification of guardianship would be:

- Court-ordered assignment
- Notarized declaration of parent
- Verification from social services agency
- School records

If a member of the household is reported permanently absent by the family, DSHA will consider any of the following as verification:

Divorce or separation documents, either final or pending.

Protection or restraining order obtained by one family member against another.

Proof of another home address such as utility bills, canceled rent checks or lease.

Statements from landlords or other agencies.

Court documents showing length of sentence if the person is incarcerated.

DSHA may verify changes in family composition, both reported and unreported by the family.

**Eligible immigration status** will be determined in accordance with procedures specified in Housing Agencies Guidebook 7465.7. Assistance will **not** be delayed, denied or terminated while the verification process is pending. Assistance to applicants **can be delayed** while a DSHA hearing is pending.

## **X. BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS**

### **A. ENROLLMENT BRIEFINGS**

#### **1. Purpose of the Enrollment Briefing:**

The purpose of the briefing is to go over the Voucher holders packet in order to fully inform the applicant family about the program so that they will be able to discuss it with potential participating owners. The Moving to Work Program will also be explained to those families who will be required to participate, and they will be provided with a copy of the Contract of Mutual Participation.

#### **2. Enrollment Briefing Attendance Requirement:**

All adult family members are required to attend the briefing when the family is initially issued a Voucher. The briefing will not be held unless all adults are in attendance. If the briefing is not completed within 14 days of the originally scheduled date because of delays caused by the family, the family will be removed from the waiting list. The family will be notified of such withdrawal and determination of ineligibility and of their right to an informal review. Exceptions due to medical reasons will be considered on a case-by-case basis.

If a vision or hearing impaired applicant or adult applicant family member is scheduled to attend a DSHA briefing, DSHA will provide such assistance as may be required in accordance with the equal access statement at the front of this Plan.

#### **3. Format of the Enrollment Briefing:**

Briefing of Voucher holders is handled on a group basis. Applicants are given an opportunity to ask questions and requested to sign their Voucher. Disabled applicants receive appropriate assistance to permit communication of program requirements and expectations.

The applicant is provided with the following:

- a. An information packet containing those items required by Section 982.301(b) of the regulations.
- b. A general information brochure explaining the basics of the Section 8 program to show potential landlords.
- c. Any available material which may be useful in finding and securing a unit.
- d. A copy of the Contract of Mutual Participation (COMP) for all families participating in the MTW program.

#### **4. General Policies:**

In addition to the enrollment briefing requirements to be covered as determined by HUD regulations, several other items will be discussed thoroughly in the briefing session.

The amount of the maximum security deposit which can be collected by the owner shall be reviewed. Collection of the security deposit and any special terms provided for the payment of the deposit shall be between owner and tenant.

DSHA shall also explain the tenant's responsibilities regarding rent payments when a family elects to rent a unit where the rent is more than the Payment Standard.

DSHA will request that the prospective Voucher holders who will be participants in the MTW program sign the COMP at the briefing session. If they do not do so, the Voucher will not be issued.

DSHA will explain the conditions in the lease under which tenancy may be terminated and the conditions under which assistance may be terminated.

DSHA will also explain that other assistance, as described elsewhere in this Plan, is available to disabled Voucher holders.

### **5. Household Obligations under the Section 8 Program:**

Generally the relationship between tenant and landlord are the same as in the private housing market.

However, once a family receives a Voucher, s/he has the following additional obligations:

Find an affordable rental unit that will pass an HQS inspection;

Turn in proper forms to DSHA within the Voucher period so that the unit may be inspected;

Keep appointments set by DSHA for determination of continued eligibility; and

Other obligations of the family, as specified on the Voucher and under Termination of Assistance.

Families that participate in MTW must abide by the terms of the COMP.

### **6. Owner Referrals:**

Voucher holders are notified at their briefing session that DSHA regularly updates the listing submitted by owners of available housing in all areas and that they are invited to obtain the update from the office in person or via mail. Additional assistance may be provided upon request.

## **B. SECURITY DEPOSIT REQUIREMENTS**

The owner may collect a security deposit in an amount **not** to exceed that allowed by local law, nor in excess of that required from unassisted tenants.

Security deposits which were made under program regulations in effect prior to October 2, 1995 will not be changed unless a new lease incorporating the new regulations is executed. (Existing leases can only be terminated as prescribed in the lease. They cannot be terminated solely to

change the security deposit.)

### **C. VOUCHER ISSUANCE**

At the close of the enrollment briefing session, the family will be issued a Voucher which is a contract between DSHA and the family specifying the rights and responsibilities of each party. Vouchers will not be issued to families who have not signed the COMP upon the request of DSHA.

The number of Vouchers issued must ensure that DSHA stays at 100% lease-up, or as close as possible. Therefore, DSHA will do monthly calculations to determine the number of Vouchers to be issued based on turnover statistics, and whether or not DSHA should "over-issue."

#### **1. Expirations:**

The Voucher is valid for a period of 60 days from the date of issuance. Prior to expiration, the family may contact DSHA to inquire if any further assistance can be provided in locating suitable housing.

The family must submit a Request for Tenancy Approval within the 60 day period unless an extension has been granted by DSHA.

"Stopping the clock" (or "tolling") of the Voucher period is **NOT** permitted when a Request for Tenancy Approval is submitted to DSHA.

#### **2. Extensions:**

A family **may** request an extension of the Voucher time period. All requests for extensions must be received in writing prior to the expiration date of the Voucher.

DSHA will make families aware of the rules governing extensions. Extensions are permissible at the discretion of DSHA primarily for three reasons:

- a. Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial 60 day period. Verification is required.
- b. The family has evidence that they have made a consistent effort to locate a unit throughout the initial 60 day period.
- c. The family has turned in a Request for Tenancy Approval prior to the expiration of the 60 day period, but the unit has not passed Housing Quality Standards.

DSHA will extend Vouchers in two 30-day increments not to exceed an additional 60 days. DSHA will take into account the special problem of ability to locate an accessible unit when considering extension requests from qualified individuals with disabilities. DSHA may extend the Voucher beyond the 120 day limit to accommodate families in this situation.

**DSHA will make applicants aware that a Request for Tenancy Approval signed by both the landlord and the applicant must be submitted by the applicant by the expiration date. If the unit ends up not being placed on the program and the Voucher has expired, the applicant must reapply to be placed on the waiting list.**

#### **D. FAMILY MOVES WITHIN DSHA JURISDICTION**

See Chapter XVII.

#### **E. PORTABILITY - FAMILY MOVES OUTSIDE DSHA JURISDICTION**

Portability is defined as the moving of a Section 8 family to a unit outside of the jurisdiction of the issuing PHA. This section applies only to those who are exempt from the MTW Program. Families who are required to participate in the MTW Program are **not eligible** to use the portability feature of their Voucher.

Applicants with a **residency** preference may lease their first unit outside DSHA jurisdiction, while non-resident applicants must lease a unit for one year within DSHA jurisdiction before moving outside DSHA jurisdiction.

##### 1. Outgoing Families:

DSHA will make appropriate contacts and use HUD-prescribed forms to assist families eligible to move under portability rules and to arrange for payment of the HAP and Administrative fees.

##### 2. Incoming Families:

DSHA will coordinate the move as much as possible with the issuing PHA.

Families will be required to participate in the MTW Program unless exempt.

DSHA will reverify the family's income to calculate the subsidy using the local Payment Standard. Assistance cannot be denied because the family is 'over income'. Families can only be terminated from the program after six months of being 'over income', the same as families not affected by portability rules.

DSHA will issue one of its own Vouchers, if available, and absorb the family into the local program. If one is not available, the initial PHA will be billed, and the tenant will still be considered portable.

When a DSHA Voucher does become available, the family will be absorbed into the DSHA program, and the initial PHA's Voucher will be returned to them.

#### **F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS**

If the family is divided into two otherwise eligible families due to divorce, legal separation or other division of the family, DSHA must determine which family should continue receiving assistance.

The Voucher may be retained by either household if there is mutual consent. A court stipulated determination may also resolve which household retains the Voucher. Otherwise, DSHA will be required to make the decision as to which family will retain the Voucher.

The following factors shall be considered in making the decision (no priority specified):

Which family has custody of dependent children;

To whom the Voucher was initially issued, if not jointly;

The composition of the new family units, and which family contains elderly or disabled members;

Which family members remain in the unit;

Whether domestic violence is involved in the breakup; and

Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, DSHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

If the family breakup results in eligibility for a smaller sized Voucher, the family may be required to move to a smaller unit in accordance with Chapter VII.

In cases where the family split is the result of having children and grandchildren in the home, the Voucher holder may request another Voucher for the mother and child(ren) in order for them to start living independently. The family leaving must have been a permanent part of the family of the original Voucher holder, and **not have joined the family within the past two years**. Since the departing family is already considered a participant the Section 8 Program, there is no requirement to go on the waiting list. The departing family must enroll as a new family in the MTW Program unless exempt.

## **XI. LOCATING SUITABLE HOUSING**

### **A. RESPONSIBILITY FOR LOCATING HOUSING**

Once a Voucher has been issued, it is the family's responsibility to locate suitable housing. This means that the housing must be affordable to the family (i.e. total family contribution for rent and utilities must not exceed 40 percent of monthly adjusted income) and must meet Housing Quality Standards (HQS) requirements.

DSHA will maintain a referral list of owners who have asked DSHA to list their available units. The list will be provided when new Vouchers are issued and is also available to participants who are planning to move.

In accordance with Section 504 requirements, DSHA will provide assistance to qualified individuals with disabilities in locating accessible units. Other assistance shall be defined to include:

1. Referrals to third party agencies or persons that work with the disabled; and
2. For the hearing or vision impaired, communication assistance, but only when the applicant demonstrates that no other person or group can provide such assistance.

Other assistance in locating a unit shall not include:

1. Providing transportation to families as they search for housing;
2. Making special trips to find accessible units for the families;
3. Negotiating the lease or other arrangements with the landlord; or
4. Taking any action that would result in a fundamental alteration in the nature of the Section 8 Program, or an undue financial and/or administrative burden on the Program.

### **B. ELIGIBLE TYPES OF HOUSING**

In general, all structural types of housing can be used, including manufactured homes. Families may lease properties owned by relatives only if it would provide reasonable accommodation for a participant family member with disabilities. The Section 8 Homeownership Option, described in Chapter XXVI, also provides information on eligible types of housing for that program.

Housing owned by DSHA is eligible under the Section 8 Program under certain conditions. These conditions, as well as the types of **ineligible** housing, are explained in 24 CFR part 982.352.

### **C. INFORMATION TO OWNERS**

DSHA is required to provide prospective Section 8 landlords with the address of the family and the names and addresses of the current and, if known, previous landlords. This information will normally be put on page two of the Request for Tenancy Approval (RTA). DSHA will make an **exception** to this requirement if the family's location must be protected due to domestic abuse or witness protection.

Landlords will be informed that it is their responsibility to determine the suitability of prospective tenants. Landlords will be encouraged to screen applicants for rent payment history, eviction history, damage to units, criminal history, drug and alcohol abuse, and other factors related to the family's suitability as a tenant.

#### **D. REQUEST FOR LEASE APPROVAL AND LEASE**

The RTA and a copy of the proposed owner's Lease (if one is used in addition the DSHA model lease) must be submitted prior to the expiration of the Voucher, unless the Voucher has been extended by DSHA.

See Chapter XIII for procedures on lease approval and HAP Contract execution.

#### **E. DISAPPROVAL OF OWNER**

For purposes of this section, "owner" includes a principal or other interested party. An owner does **not** have a right to participate in the program.

In addition to the reasons DSHA is required to disapprove an owner (See 24 CFR 982.306), DSHA will disapprove owners for the following reasons:

Violation of obligations under a Section 8 Housing Assistance Payments Contract;

Commission of fraud, bribery or any other corrupt act in connection with any federal housing program;

Involvement in drug trafficking;

History or practice of non-compliance with the HQS for units leased under the tenant-based programs or any other federal housing program;

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

- threatens the right to peaceful enjoyment of the premises by other residents;
- threatens the health or safety of other residents, of employees of DSHA or of owner employees or other persons engaged in management of the housing;
- threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
- is drug-related or violent criminal activity.

The owner has a history or practice of renting units that fail to meet State or local housing codes; or

Failure to pay State or local real estate taxes, fines or assessments.

**F. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE**

Prior to HAP Contract execution, DSHA will reconfirm the family's composition and critical information about income and allowances. If changes have occurred, the information will be verified and the TTP will be recalculated. DSHA will not reverify information or recalculate the TTP merely because previous verifications are more than 60 days old in this situation.

## **XII. HOUSING QUALITY STANDARDS AND INSPECTIONS**

### **A. GENERAL PURPOSE**

DSHA is required by HUD regulations to inspect the unit to ensure that it is "decent, safe, and sanitary" according to Housing Quality Standards (HQS). DSHA has adopted additional local requirements of acceptability which are contained in the Delaware State Housing Code (DSHC). The use of the term "HQS" in this Administrative Plan refers to the combination of HUD and DSHC requirements. In case of inconsistency between the two, the stricter shall prevail.

No unit will be initially placed on the Section 8 Housing Program unless these standards are met. Units must also meet the HQS as long as the family is on the program.

There are **three** types of inspections DSHA will perform:

- Initial
- Annual
- Special

If requested by a qualified applicant with disabilities or by a landlord, DSHA will also perform inspections to verify the accessibility features of a unit, and that such features meet the guidelines established in the Plan. See Section B. in this Chapter.

### **B. ACCESSIBLE UNIT GUIDELINES**

DSHA will hold accessible/adaptable units to the same HQS applied to all other units in the program. HQS will not be waived or lowered to permit occupancy of an accessible unit by a qualified individual with disabilities. Exceptions to HQS permitted under the program will also apply to accessible units.

Landlords cannot be forced or coerced to make a unit accessible. Exception rents may be offered in those cases where a landlord is considering modifications to permit occupancy by a qualified individual with disabilities. (See XIII B. of this Plan.)

DSHA will use the Uniform Federal Accessibility Standards (UFAS — found in 24 Code of Federal Regulation, Part 40, Appendix A) **as a guide** in assessing the accessibility of a unit. The UFAS does not apply to private owners of Section 8 housing, and DSHA recognizes that strict adherence to the requirements of UFAS is not possible given the variety and type of units in the private market and the financial resources available to the landlord.

DSHA will verify through inspection that at least minimum requirements necessary to provide a family with an accessible unit (including fire escape) are present. DSHA will inspect units to determine that acceptable standards for items such as doorway widths, ramp slopes, fire escape routes and wheel chair maneuvering space in critical areas are present.

Partial accessibility inside the unit will be permitted. This means that the entire structure or even the entire unit need not be fully accessible. In approving partial accessibility, DSHA will consider family composition or other living arrangements that permit the individual with disabilities to meet the terms and conditions of the lease.

Thus, if the bathroom is accessible but the kitchen is not, DSHA may still approve the unit if another person or family member will cook meals. If only one of three bedrooms is accessible DSHA may approve the unit if other family members share the unit, a live-in aide is present, the other bedrooms will have limited use, or the disabled participant states that any non-accessible spaces in the unit are not essential to his/her occupancy of the unit.

DSHA will not approve partial accessibility if the non-accessible areas of the unit include fire escape routes, safety equipment or features, the bathroom and kitchen, or other spaces deemed essential to a decent, safe, and sanitary living environment.

DSHA will judge the unit in light of the type of accessibility needed (mobility, vision, hearing) and the standards presented in UFAS. **Under no circumstances will DSHA make a direct or implied evaluation of the participant's ability to live independently.** Rather the landlord must evaluate the participant's ability to abide by the lease terms as they relate to the occupancy of the unit.

### **C. INITIAL INSPECTIONS**

DSHA will schedule a HQS inspection of the unit within 5 working days of receipt of a RTA and notify the family and owner of the results. If the unit fails the inspection, the family and owner will be advised to notify DSHA immediately once repairs are completed.

On an initial inspection, the owner will generally be given up to 15 days to correct the items noted as "Fail" on the HQS inspection form. DSHA may consider a longer time of correction if warranted by the extent and type of repairs to be made or by extenuating circumstances beyond the control of the owner. The owner will generally be allowed one reinspection for the repair work to be completed.

If the 15 days have elapsed or the unit has failed the one reinspection and the Voucher has **expired**, the family will be required to reapply (new date and time of application) to be eligible for the program. If the Voucher has **not expired** and the unit has failed the reinspection, the family may select another unit or, if they want to continue to try to lease the "failed" unit, the family and owner will have to submit another RTA.

**The family will be advised that the owner is under no obligation to complete the HQS repairs, and that waiting for completion of the repairs will result in the loss of valuable time left in the search period. Additionally, the family will be reminded of the time remaining on their Voucher and encouraged to continue shopping.**

### **D. ANNUAL/SPECIAL HQS INSPECTIONS**

#### **1. General Policy**

**Annual inspections** will be conducted within 90 to 120 before the anniversary of the move-in date.

**Special inspections** may be conducted at any time if the family, owner or third parties, such as neighbors or public officials, notify DSHA that the unit does not meet HQS. The staff has to inspect only the items that the family or owner are complaining about, but if other fail items are noticed during the inspection, the staff must also require that they be repaired.

The owner is responsible to see that appropriate action is taken in regard to HQS failure items. The landlord, **NOT DSHA**, must make the determination which deficiencies are beyond ordinary wear and tear (tenant-caused) and take appropriate action (including lease termination as prescribed in the Landlord-Tenant Code) to ensure the tenant corrects them. (Also see paragraph D.4.)

The owner must be given time to correct the failed items. There are two guidelines to use:

- a. If the item endangers the family's health or safety the owner must be given 24 hours to correct the violation.
- b. For less serious failures, the owner will be given up to 30 days to correct the item(s).

An extension of the 30-day re-inspection date may be authorized for up to two weeks if extensive repairs are being undertaken. However, the owner must request the extension in writing within 15 days of the date of the initial letter describing the failure items. The request must also describe the work to be done. Longer extensions may be authorized in unique situations.

If the owner does not correct the failed items after s/he has been given a reasonable time to correct the items, the **payment will be abated and the HAP Contract may ultimately be terminated**

## **2. Abatement**

When it has been determined that a unit on the program fails to meet HQS and the owner does not correct the problem(s) within the time frame established by DSHA, the rent for the unit shall be abated. The abatement shall continue until all items which caused the unit to fail have been corrected or thirty days. If not corrected, the HAP contract will be terminated.

If the owner makes repairs during this period and the tenant intends to stay in the unit, the abatement will end the day the owner calls to request a reinspection. DSHA will inspect abated units within five (5) days of the owner's notification to DSHA that the work is completed.

No retroactive payments will be made to the owner for the period of abatement, and the tenant is not responsible to the owner for DSHA's portion (the HAP) of rent that was abated. **The tenant, however, is responsible for his/her portion of the rent during abatement.**

## **3. HAP Contract Termination**

If the owner fails to correct all the items cited within thirty days of the beginning of the abatement period, the HAP Contract will be terminated. While the termination notice is running, the abatement will remain in effect.

Once the HAP Contract is terminated (with a thirty day notice prior to the first of the month), it will not be reinstated. The tenant will be given a new Certificate or Voucher to move.

When the HAP Contract is terminated for HQS violation(s), and the termination notice runs out, it cannot be reinstated. If repairs are done before the effective termination date, the termination can be rescinded if the tenant chooses to do so.

After the HAP Contract termination notice has been sent, only one more HQS inspection will be conducted during the extended abatement period.

If the HAP Contract is terminated due to the owner's failure to correct HQS deficiencies, and the Section 8 tenant has found it necessary to move in order to continue receiving assistance, DSHA will not approve that unit for a Section 8 family for a minimum of six months after the current family moves out. This approval will only be given after receiving written assurance from the owner that the requirements of the minimum HQS will be met in the future.

#### **4. Inspections which Reveal Tenant Noncompliance**

If an annual or special inspection reveals that a unit is no longer in compliance with applicable HQS criteria because of a deficiency(s) which is the tenant's responsibility, the family will be responsible for taking appropriate action to correct the deficiency(s). Deficiencies which are considered the family's responsibility are:

Tenant-paid utilities not in service;

Failure to provide or maintain tenant-supplied appliances;

Damage to the unit or premises caused by a family member or guest beyond normal wear and tear. This determination will normally be made by the Landlord.

Tenants will be given the same amount of time to correct deficiencies given to owners. DSHA will advise the tenant of his/her responsibilities under the lease and Section 8 Program, and point out the consequences of noncompliance. If the tenant does not correct the problem(s) within the time frame established by DSHA, **the tenant's eligibility for the Section 8 program will be terminated** effective on the date of reinspection failure. The tenant will be given an opportunity for an Informal Hearing as described in Chapter XX.

The owner must keep DSHA informed if a court action has been initiated because of the tenant's failure to correct tenant-caused deficiencies. The landlord will be paid the HAP until the tenant is legally evicted from the unit provided all other HQS deficiencies have been corrected.

The owner will be kept informed of the status of the tenant's Section 8 eligibility. If the tenant is terminated from the Section 8 Program, the owner will be notified that the HAP Contract will be terminated effective at the end of the month following the tenant's termination.

Further, if a claim paid to the owner by DSHA on behalf of the family results from these

actions, DSHA will determine the family ineligible for continued assistance (refuse to issue another Voucher) and future participation in the program. Debts must be paid in full prior to the issuance of another Voucher for continued participation, or prior to issuance of a new Voucher if the family goes off the program and later reapplies. DSHA does not make provisions for repayment agreements which can be carried over to their next unit. (See Chapter XIX, Owner Claims)

### **5. Emergency Repair Items**

Items considered to be of an emergency nature are to be corrected within 24 hours of notice from the Inspector. DSHA may give a short extension (not more than 48 additional hours) when the owner or tenant (whoever is responsible) cannot be notified or it is impossible to repair within the 24 hour period.

If deficiencies for which the **owner is responsible** are not corrected within 72 hours, the HAP Contract will be canceled and the rent will be abated during the HAP Contract cancellation period.

If deficiencies for which the **family is responsible** are not corrected within 72 hours, Section 8 eligibility will be terminated immediately. The owner will be notified that the HAP Contract will be terminated effective at the end of the following month.

### **6. Responsibility of the Family to Allow Inspection**

DSHA must be allowed to inspect the unit at reasonable times with reasonable notice. The family is notified of the inspection appointment by mail. If the family is not able to be at home, the family must call to reschedule the inspection or make arrangements to have an adult family representative or the landlord present.

If the family misses the inspection appointment and does not arrange for the representative or the landlord to be there, one more inspection (or reinspection) appointment will be scheduled.

If the family misses two inspection appointments, DSHA will consider the family to have violated a family obligation and their assistance will be terminated.

### **XIII. LEASE APPROVAL AND HAP CONTRACT EXECUTION**

Once a family has located a unit with an owner who may be willing to participate in the Section 8 Program, DSHA will become deeply involved in the process leading to an executed lease and HAP Contract.

#### **A. DOCUMENTS SUBMITTED**

The tenant must submit a Request for Tenancy Approval (RTA), during the term of the Voucher, signed by both the owner and the Voucher holder.

Families may lease properties owned by relatives (See HAP Contract) only if the arrangement is a reasonable accommodation for a disabled participant family member. Before this occurs, owners must provide their current address of residence and business (**not Post Office box**) which will be compared to the subsidized unit address.

Owners must also submit proof of ownership of the property and proof of the Management Agreement if the property is managed by a management agent.

DSHA shall require the owner to use the DSHA provided lease. Owners may, in addition, use their own lease but it must not conflict with Section 8 regulations nor the Delaware Landlord-Tenant Code.

#### **B. RENT REASONABLENESS**

Rent reasonableness determinations are made when units are placed under HAP contract for the first time and when an owner requests a rent increase in the Voucher Program.

The market area for rent reasonableness comparables is Kent and Sussex Counties. DSHA conducts an annual rental survey that assists the Section 8 Staff in making the rent reasonableness determinations. Newspaper ads are also reviewed to obtain information on comparables.

DSHA will certify and document on a case-by-case basis that the approved rent:

Does not exceed rents charged by the owner for comparable unassisted units in the private market; and

Is reasonable in relation to rents charged by other owners for comparable units in the private market.

The following characteristics will be used for rent reasonableness documentation:

- Square footage
- Number of bedrooms
- Number of bathrooms
- Facilities
- Location
- Quality
- Amenities
- Date built

Unit type  
Management and maintenance services

### **C. LEASE APPROVAL/DISAPPROVAL**

DSHA will review the RTA, determine if the unit is an eligible type of housing and meets HQS requirements and the rent is reasonable. If DSHA determines that the lease cannot be approved for any reason, the owner and the family will be notified.

DSHA will explain any lease problems and/or provide a list of HQS deficiencies to the owner and suggest how they may be corrected. The period allowed for correction of lease problems will generally be within 7 calendar days, while up to 15 days will be allowed to make HQS repairs.

If DSHA determines the rent is not reasonable, and the owner accepts the offer of a revised rent, DSHA will continue processing the RTA and lease.

If the owner does not agree on the contract rent after DSHA has tried to negotiate a revised rent, DSHA will inform the tenant that the lease is disapproved. The tenant should continue to shop for eligible housing if the Voucher is still valid.

### **D. SEPARATE AGREEMENTS**

Owners and tenants may execute agreements for services, appliances (other than for range and refrigerator) and other items outside those which are provided under the lease if the agreement is in writing and in compliance with the remainder of this section.

Any appliance, service or other item which is routinely provided to nonsubsidized tenants as part of the lease (such as air conditioning, dishwasher or garage) or is permanently installed in the unit cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the tenant must have the option of not utilizing the service, appliance or other item.

If the tenant and owner have come to an agreement on the amount of charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. Costs for seasonal items can be spread out over 12 months.

Copies of all separate agreements must be provided to DSHA.

### **E. HAP CONTRACT EXECUTION**

When the lease review process is completed, DSHA will notify the owner and the family of the lease approval or disapproval.

If the lease is approved, DSHA will prepare the HAP Contract. To prepare the documents, DSHA will compute the Total Tenant Payment, Tenant Rent, Utility Reimbursement (if any), and the Housing Assistance Payment. The documents will then be executed by the family, owner and DSHA, as appropriate, and DSHA will provide copies to each party.

DSHA may offer a Signature Briefing for the owner and tenant, especially if the owner is new to the Section 8 program, and responsibilities of all parties will be discussed prior to signing the lease and HAP contract.

Families participating in the MTW program will sign the lease the same as any other Section 8 family. The lease effective date will also become the effective date of the COMP which had been signed previously. At the time that the lease is signed, the family will be advised that an MTW Case Manager with whom they will be working will call them soon to begin development of a Resident Action Plan (RAP) in accordance with the Section 8 Moving to Work Procedures Manual.

#### **XIV. OWNER PAYMENT AND UTILITY ALLOWANCE**

Timely payments will be made to owners, and they will be notified of the procedures for rent adjustments

##### **A. OWNER PAYMENT**

The maximum subsidy level for each family is determined by the Payment Standard for the Voucher size issued to the family. The subsidy will be the difference between the lower of the Payment Standard or the Gross Rent, and 30% (35% MTW) of monthly adjusted income. The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (10% of the family's Monthly Income) or the Minimum Rent of \$25.

The Voucher size issued to the family is based on DSHA's Subsidy Standards. The Payment Standard actually used for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for the unit size selected.

The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner.

##### **B. UTILITY ALLOWANCE**

If the family pays for some or all utilities, DSHA will include in the TTP calculation an allowance for those specific utilities. When the utility allowance exceeds the 30% (35% MTW) of the family's monthly adjusted income, DSHA will provide a **Utility Reimbursement Payment** to the family each month.

The allowances are based on actual rates and average consumption estimates, not on a family's actual energy consumption.

DSHA will review the Utility Allowance Schedule on an annual basis. If a revision is needed, based on methods required by HUD, the Utility Allowance Schedule will be revised.

A Utility Allowance Schedule will be given to the family along with the Voucher. The utility allowance is based on the actual unit size selected.

For families who provide their own range, microwave and/or refrigerator, DSHA has established an allowance adequate for the family to purchase a range and/or refrigerator, even if the family already owns the appliance(s). Allowances are based on the lesser of the cost of leasing or purchasing the appropriate appliance over the normal life expectancy of the appliance.

##### **C. MAKING PAYMENTS TO OWNERS AND TENANTS**

Once the HAP Contract is executed, DSHA begins processing payments to the owner and tenant (if eligible). The effective date and the amount of the payments are sent via computer to the DSHA accounting section. An electronic fund transfer process is used by DSHA and the State

Treasurer's office to pay owners. Checks are disbursed by the State Treasurer to eligible tenants each month. A HAP Register is used as a basis for monitoring the accuracy and timeliness of payments.

DSHA also maintains a log for monthly changes to be made to the HAP Register.

## **XV. ANNUAL ACTIVITIES**

There are three activities DSHA conducts on an annual basis. These activities will be coordinated whenever possible:

Annual Recertification of Income

Annual HQS Inspection

Contract Rent Increase by Owner

Activities related to the MTW Program are carried out by the family's case manager and are covered in the **Section 8 Moving to Work Procedures Manual**.

DSHA maintains a listing of units under contract by month to ensure systematic annual reviews of contract rent, family income, allowances for utilities and other factors related to TTP, and HQS. Payment changes are then forwarded to the Accounting Office to affect a change in the next HAP and/or utility reimbursement payment.

DSHA will accommodate persons with disabilities, if requested, by providing notices in an accessible format and by mailing notices to third parties.

### **A. ANNUAL RECERTIFICATION**

Families are required to provide information on income, assets, allowances, deductions and family composition at least annually.

Annual recertifications for midmonth move-ins (e.g. September 15th) will be conducted no later than the following year by the first of the move-in month (e.g. September 1st).

**When families move to another dwelling unit, an annual recertification will be scheduled.**

Income limits will not be used as a test for continued eligibility at recertification.

#### **1. Reexamination Notice to the Family**

DSHA will maintain a reexamination tracking system. At least 120 days in advance of the scheduled annual reexamination date, the head of household will be notified by mail that s/he is required to be present for a reexamination interview on a specified date. The family must reschedule the date in advance if the scheduled date is unacceptable.

A personal declaration form will accompany the above notice. The head of household will be instructed to fill out the form and have it and the documents which verify the information in the form available at the interview.

#### **2. Verification of Information Provided**

See Chapter IX.

### **3. Changes in Tenant Rent**

When the information is analyzed, all necessary documents are prepared and signed by the tenant, and all other requirements have been met, DSHA will recalculate the tenant's portion of rent.

DSHA will notify both the owner and tenant of the new HAP to be paid by DSHA to the owner and of the new rent to be paid by the tenant. If the tenant is not required to pay rent to the owner, the tenant will be notified of the amount of the utility reimbursement s/he will receive from DSHA.

If there is a rent increase, the new rent portion will go into effect following a full sixty day notice prior to the first of the month. If there has been **misrepresentation** by the tenant, or if the tenant caused a **delay** in the reexamination processing, there may be an increase in rent made retroactively.

If there is a rent decrease, it will be effective on the scheduled effective reexamination date unless the family has caused a delay in reexamination processing.

### **B. ANNUAL HQS INSPECTION**

See Chapter XII.

### **C. RENT INCREASES BY OWNER**

Owners must request a rent increase in writing. Rent cannot be increased prior to the first term of the lease. As of the expiration of the first term of the lease, rent increases may be effective with a 60 day notice to the family and a copy to DSHA.

DSHA will advise the family as to whether the rent is reasonable and shall assist in the negotiation of the rent with the owner if requested by the family.

**DSHA approval is required for all rent increases to the owner.**

## **XVI. INTERIM RECERTIFICATIONS**

### **A. CHANGES TO REPORT**

The TTP and Tenant Rent will remain in effect for the period between regularly scheduled reexaminations except in the circumstances below:

1. A person with income joins the family.
2. The tenant has misrepresented the facts upon which rent is based.
3. The income increases in families with zero income or unrealistically low income. Reexamination is scheduled every 60 days until income does increase to a realistic level.
4. Families whose annual income cannot be projected with any reasonable degree of accuracy. Reexaminations shall not be more than 90 days apart or less than every 30 days.
5. For families where an error was made at admission or reexamination. The family will not be charged retroactively for an error made by DSHA staff.
6. Receipt of a deferred payment in a lump sum which represents the delayed start of a periodic payment, such as unemployment, or a deferral due to a dispute, such as back child support payments. Lump sum payments up to \$1,000 will not have to be reported at the Interim Adjustment. If the lump sum payment is \$1,000 or over, a deduction will be made for HUD Allowable Legal Expenses incurred in seeking the award. Deferred payments of Social Security or SSI benefits are excluded from annual income.
7. Change in the contract rent after the first year of the lease.
8. Disabled families are eligible for a 12 month 100 percent earned income disregard and an additional 50 percent earned income disregard if the family member with disabilities meets the criteria of 24 CFR 5.617.

It is important to note that a family whose income decreases due to documented welfare fraud or failure to comply with economic self-sufficiency requirements of the welfare program will not have their rent reduced.

#### **Families are required to report pertinent information as soon as possible.**

The tenant must request DSHA's approval to add family members, except births, adoptions, or court awarded custody. DSHA will determine eligibility of new family members (except births, adoptions or court awarded custody) prior to adding the family member

The tenant may report any of the following changes which would result in a decrease in the tenant's rent:

1. Decrease in income;
2. Increase in allowances or deductions.

Decreases in the tenant portion of the rent will be effective the first day of the month following the month in which the change occurs if reported in a timely manner.

Any other changes reported by tenants other than those listed above will not be processed between regularly scheduled annual recertifications.

## **B. FORMS USED FOR INTERIMS**

A HAP Contract/Lease Amendment and a form HUD-50058 worksheet showing the calculation are completed. A copy of the Amendment is sent to the owner and tenant. Signatures are not required. Because the Amendment changes the family's TTP or Tenant Rent, DSHA must offer the tenant an opportunity for an Informal Hearing.

## **C. TIMELY REPORTING**

### **1. Standard for Timely Reporting of Interim Changes:**

The standard for reporting changes for interims (**other than changes in family composition which are described below**) in a timely manner is for the family to report the change by the end of the month in which the change occurs. The staff will notate the file when the tenant first notifies the Section 8 office. An appointment will be scheduled, if required, to complete any necessary paperwork. Any increase or decrease in the tenant's portion of the rent will be accomplished as indicated in paragraphs C.2. or C.3. below.

### **2. Procedures When the Change is Reported in a Timely Manner:**

The Housing Authority will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following:

The family will always be given a written notice 60 days prior to the first of the month for which the rent increase is effective. Increases in the tenant rent are to be made effective upon 60 days notice, prior to the first of the month, so that the change is always effective on the first of the month, rather than some date within the month. Tenants may not waive the 60 day written notice for an increase.

Decreases in the tenant rent are to be made effective the first of the month following that in which the change was reported. However, no downward rent adjustments are to be processed until all the facts have been verified, even if a retroactive adjustment results.

Information/paperwork required from the tenant for DSHA to begin verification of the change must be provided within 10 days of the first notification of the change.

Otherwise, the tenant will be determined to have caused an unreasonable delay and the change will be processed as described in paragraph C.3. below.

### **3. Procedures when the Change Is Not Reported in a Timely Manner:**

If the family does not report the change by the end of the month in which the change occurred, the family will be determined to have caused an unreasonable delay in the interim reexamination processing.

Increased Tenant Rent: The change will be effective retroactive to the date it would have been effective, had it been reported on a timely basis.

Decreased Tenant Rent: The change will be effective on the first of the month following that in which the change was reported.

Deviation from normal effective dates is justified because of the tenant's failure to supply the required information.

The calculation is the same even if there was a change three or four years ago that the tenant did not report and should have. The change is retroactive to the original date, even if they have been changing jobs every six months and have not reported their job income at reexamination. A history has to be established to determine how much money the tenant owes DSHA.

#### **4. Procedures When the Change is Not Processed by DSHA in a Timely Manner:**

"Processed in a timely manner" means that the change is effective on the date it should have been effective when the tenant reported the change in a timely manner.

If changes are not processed by DSHA staff in a timely manner, the required 60 days notice prior to the first of the month is still required before a tenant rent increase.

If the change resulted in a decrease, an overpayment by the tenant will be calculated retroactively to the date it should have been effective and a check will be sent to the tenant.

#### **5. Timing of Next Annual Recertification:**

Even though an interim adjustment is completed, the next regular reexamination will still be scheduled within a year from the date of the last annual recertification.

#### **6. Changes in Family Composition:**

All changes in family composition must be reported within 10 calendar days of occurrence, except that DSHA must approve all additions to the family (except births, adoptions or court awarded custody) prior to the member being added.

If a family member has been determined permanently absent and the change requires a different size, the change shall be implemented at the next annual recertification. If the family moves sooner, the change will be implemented then.

Families holding a Voucher will be penalized if they do not report their change in family composition from one annual recertification to another or if they move to another unit. This is because their Payment Standard does not change until an annual recertification or they move to another unit.

If they do not report at the times required, the overpaid subsidy will be calculated by taking the larger size Payment Standard and subtracting the smaller size Payment Standard to get the overpayment.

For example, if a family had a 3BR Payment Standard and actually qualified for a 1BR Payment Standard at recertification but did not inform DSHA, the calculation would be as follows:

**3BR Payment Standard - 1BR Payment Standard = Overpaid subsidy per month.**

## **XVII. TERMINATION AND FAMILY MOVES**

### **A. FAMILY MOVES**

The family may move to another unit if they follow proper lease termination procedures. If the family has not violated the **Obligations of the Family** listed on the Voucher, does not owe money to any HUD-funded program, and has not moved within the past 12 months under portability rules, the family must be offered a new Voucher to search for another unit. The family will be provided a moving packet when the Voucher is issued.

A recertification will also be started, and a **new annual reexamination date** established based on the date the family moves in to a new unit.

The Voucher will be issued when the family is to move from the unit, even if the verifications are not complete, so that the family has a valid Voucher to conduct their search for a unit.

If the family does **not** locate a new unit, they may stay in their current unit as long as the owner agrees to disregard the family's termination notice. The HAP will continue to be paid to the owner.

### **B. FAMILY NOTICE TO MOVE**

Families are required to give 60 days notice to the owner before the end of the lease term to be in compliance with the lease and the Delaware Tenant-Landlord Code. When they give notice to the owner, the family must also provide a copy to DSHA. If the family vacates the unit without giving proper notices to the owner and DSHA, it will be considered a violation of the Obligations of the Family and the family's assistance will be terminated.

Families may enter into a mutual rescission of the lease with the owner at any time, with timely notification to DSHA also, and be in compliance with the lease.

The tenant may **terminate the lease before the end of the lease term** (break his lease) by giving the landlord a 30 day written notice. The specific reasons, conditions, and obligations are contained in the Delaware Tenant-Landlord Code.

**Thirty (30) or sixty (60) day notices begin on the first of the month following the month the notice is given.**

If the family vacates the unit without proper notice, the family will be responsible for any vacancy loss incurred by DSHA (see Chapter XIX).

Briefing sessions emphasize the family's responsibility to give the owner and DSHA proper written notice of any intent to move.

### **C. OWNER'S NOTICE TO MOVE/EVICTIONS**

The owner may give the tenant a 60 day notice to move, as the tenant is allowed to give the owner after the first term of the lease.

If the family is **evicted** by the court, the family's Section 8 assistance will be terminated (See Chapter XVIII).

DSHA will continue to pay the HAP to the owner until the eviction process is complete provided the unit is not on HAP abatement for HQS violations which are the responsibility of the owner.

**D. FAMILY MISREPRESENTATION**

If the family has committed fraud in connection with the Section 8 Program, DSHA may terminate assistance and cancel the HAP Contract.

In addition, if the family has misrepresented income, assets, or allowances and deductions which would have caused them to pay more, DSHA will make every effort to recover any overpayments made as a result of tenant fraud or abuse.

**E. OWNER MISREPRESENTATION**

If the HAP Contract is terminated by DSHA because of a breach by the owner, DSHA will review the circumstances and family's involvement to determine if the family is eligible for continuation of assistance at another unit.

DSHA will make every effort to recover any overpayments made as a result of owner fraud or abuse.

**F. CHANGE IN OWNERSHIP**

DSHA will work closely with prospective new owners, briefing them on the Section 8 Program. A Request for Lease Approval, HQS inspection, new lease and HAP Contract will be completed. When settlement is complete and all documentation is received verifying the change in ownership, DSHA will prorate the HAP, as required, and update owner files to reflect the new information.

A recertification of the tenant's eligibility will also be completed and a new Section 8 anniversary date established.

## **XVIII. DENIAL OR TERMINATION OF ASSISTANCE**

### **Introduction**

DSHA may deny or terminate assistance for a family because of the family's action or failure to act. DSHA will provide families with a written description of the family obligations under the program, the grounds under which DSHA can deny or terminate assistance, and DSHA's informal hearing procedures. This chapter describes when DSHA is required to deny or terminate assistance, and DSHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

### **A. Grounds for Denial/Termination (24CFR 982.54, 982.552, 982.553)**

If denial or termination is based upon behavior resulting from a disability, DSHA will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

### **Form of Denial/Termination**

Denial of assistance for an **applicant** may include any or all of the following:

- Denial for placement on DSHA's waiting list

- Denying or withdrawing a Voucher

- Refusing to enter into a HAP Contract or approve a tenancy

- Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP Contract or approve a tenancy

- Terminating housing assistance payments under an outstanding HAP Contract

- Refusing to process or provide assistance under portability procedures.

### **Mandatory Denial and Termination**

DSHA must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have elapsed since DSHA's last HAP was made. (See "Contract Terminations" Chapter)

DSHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on premises of federally assisted housing.

DSHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA determines that any household member is currently engaging in illegal use of a drug. See Section B of this chapter for the DSHA's established standards.

DSHA must deny admission to the program for applicants, and terminate assistance for program participants if DSHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for DSHA's established standards.

DSHA must deny admission to an applicant if DSHA determines that any member of the household is subject to a registration requirement under the State sex offender registration program. See Section B of this chapter for DSHA's established standards regarding criminal background investigation and determining whether a member of the household is subject to a registration requirement under a State sex offender registration program.

DSHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease

DSHA must deny admission to the program for an applicant or terminate assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

DSHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

### **Grounds for Denial or Termination of Assistance**

DSHA will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- If any family member violates any family obligation under the program as listed in 24 CFR 982.551
- Any member of the family has been evicted from federally assisted housing in the last **five** years
- If any PHA has ever terminated assistance under the program for any member of the family in the last **five** years
- If any member of the family commits fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program
- The family currently owes rent or other amounts to DSHA or to another PHA in connection with Section 8 or public assistance under the 1937 Act
- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease

- Failure by the family to enroll in and comply with the **MTW Program**, if applicable (See “The Section 8 MTW Procedure Manual”)
- The issuance of three strikes under the MTW program (See “The Section 8 MTW Procedure Manual”)
- The end of the five-year assistance limit for participants in the MTW program (See “The Section 8 MTW Procedure Manual”)
- The family has engaged in or threatened abusive or violent behavior toward DSHA personnel
- If any member of the family engages in or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents. (See Section B of this Chapter)
- If any member of the family has committed drug-related criminal activity, or violent criminal activity within the past **five** years. (See section B of this Chapter and 982.553 of the regulations)
- Refer to the “Eligibility for Admission” Chapter and the “Other Criteria for Admission” section for further information.

**B. Violence Against Women Act Policy**

An incident or incidents or actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not be good cause for terminating the assistance, tenancy or occupancy rights of the victim of such violence.

DHSA may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants.

DSHA may honor court orders regarding the rights of access or control of the property, including EPO’s, DVO’s, and other orders issued to protect the victim and is used to address the distribution or possession or property among household members where the family “breaks up.”

There is no limitation on the ability of DSHA to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence or stalking, other than the victim may not be subject to a “more demanding standard” than non-victims.

There is no prohibition on DSHA terminating assistance if it “can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant’s (victim’s) assistance is not terminated.”

Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

DSHA may require certification by the victim of victim status on such forms as DSHA and/or HUD shall prescribe or approve.

### **C. Screening and Termination for Drug Abuse and Other Criminal Activity** **Purpose**

All Federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of DSHA to fully endorse and implement a policy designed to:

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal family safety
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

### **Administration**

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex or other legally protected groups

### **Screening of Applicants**

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, subpart L and CFR Part 5, Subpart J, DSHA will endeavor to screen applicants as thoroughly and fairly as possible **for drug-related and violent criminal behavior**. DSHA will require all applicant family members 18 and over to obtain a Delaware criminal background report at DSHA expense. If the report indicates criminal activity outside the State of Delaware, an FBI criminal background report will also be required at DSHA expense. Applicants also required to certify whether or not any family member(s) 18 or over have lived outside of Delaware during the past **five** years.

### **HUD Definitions**

*Covered person*, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control

*Drug* means a controlled substance as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)

*Drug Related Criminal Activity* means the illegal manufacture, sale, distribution, or use of a drug or the possession of a drug with intent to manufacture, sell, distribute or use the drug

*Guest* for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a

person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

*Household* for the purpose of 24 CFR part 982 and this chapter, means the family and the PHA approved live-in aide

*Other person under the tenant's control* for the purpose of the definition of covered *person* and for 24 CFR Part 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

*Violent Criminal Activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **Standard for Violation**

DSHA will deny participation in the program to applicants and terminate assistance to participants in cases where DSHA determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents, including cases where DSHA determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

The DSHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 12 months.

“Engaged in or engaging in” violent criminal activity means any act within the past **five** years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which resulted in the arrest and /or conviction of the applicant, participant or household member

The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.

### **Drug Related and Violent Criminal Activity**

Persons evicted from Federally assisted housing because of drug-related or violent criminal activity are ineligible for admission to the Section 8 program for a **five** year period beginning on the date of such eviction.

The household may be admitted if the circumstances leading to the eviction no longer exist because:

- The criminal household member has died
- The criminal household member is imprisoned

### **Denial of Assistance for Sex Offenders**

DSHA will deny admission if any member of the household is subject to a registration requirement under a State sex offender registration program. In screening applicants, DSHA will perform criminal history background checks to determine whether any household member is subject to a sex offender registration requirement.

### **Required Evidence**

*Preponderance of evidence* is defined as evidence which is of greater weight or more convincing than the evidence offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

*Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids, drugs found in the dwelling unit and arrest warrants.

DSHA may terminate assistance for criminal activity by a household member under this section if DSHA has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

### **Confidentiality of Criminal Records**

DSHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

### **Other Conditions and Procedures for Termination of Assistance:**

Participants in the MTW program may have their housing assistance terminated if they are issued three strikes during the term of their COMP. A strike may be issued when the participant breaches any responsibility set out in the COMP. The participant will be informed of the issuance of each strike in writing. The participant has the right to request an informal hearing regarding the issuance of a first and second strike by submitting a written request within ten (10) days of the strike notification letter. Procedures for the issuance of strikes are set out in the **Section 8 Moving to Work Procedure Manual**.

### **Notice of Termination of Assistance**

In any case where DSHA decides to terminate assistance to the family, DSHA must give the family a written termination notice which states:

- The reason(s) for the termination;
- The effective date of the termination;
- The family's right and deadline date to request an informal hearing, if they disagree; and
- The family's responsibility to pay the full rent to the owner if it remains in occupancy.

DSHA will simultaneously provide written notice of the HAP Contract termination to the owner. The notice will **not** include any details regarding the reason for termination of assistance.

### **D. DSHA DISCRETION**

In deciding whether or not to deny or terminate assistance because of action or failure to act by members of the family, DSHA has discretion to consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

DSHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. DSHA may permit other members of the family to continue in the program.

### **E. \$0 ASSISTANCE TENANTS**

If the family's TTP has increased to a level where a subsidy is no longer being paid on behalf of the family in the Voucher Program, and six months have elapsed since DSHA's last HAP payment was made, the family's assistance **must** be terminated. The tenant will be notified of their right to remain on the program at \$0 assistance for six months.

**Leases and HAP Contracts which were in effect prior to the regulation changing the above to a six month period from a one year period will be honored.**

However, if the owner wants a rent increase during this six month period and the rent increase would cause DSHA to resume HAP payments, or, if at an annual or interim reexamination, the tenant had a loss of income and there would be a HAP payment, the payments would be resumed.

If payments are resumed, there would be an interim adjustment and a Contract and Lease Agreement Amendment would be sent out listing the new amounts.

When the six months has been reached, the owner will be notified of the termination of the HAP Contract, in accordance with his HAP Contract. The termination of assistance payments is **after** the six month period has been reached, not the reexamination date.

DSHA must still perform all of the duties and responsibilities normally required, such as reexaminations and HQS inspections. Depending on the date of the most recent lease and HAP

Contract, **DSHA may still be liable for unpaid rent and damages.**

Also, if the tenant wants to move to another unit during this period, DSHA would **NOT** execute a new HAP Contract for the new unit at \$0 assistance. However, if there would be assistance because of a higher rent, for example, DSHA **could** execute a new HAP Contract. The \$0 assistance provision would no longer be in effect, because a HAP is being paid on the new unit.

**F. PROCEDURES FOR NONCITIZENS**

DSHA will follow the procedures contained in Housing Agencies (HAs) Guidebook: Restrictions on Assistance to Noncitizens (HUD Guidebook 7465.7).

## **XIX. OWNER CLAIMS**

This Chapter describes DSHA's policy for servicing HAP Contracts which remained in effect (grandfathered) after the regulation change of October 2, 1995.

As part of the former regulations, under the HAP Contract owners can make "special claims" for damages, unpaid rent (includes other amounts the tenant owes under the lease), and vacancy loss (vacancy loss **cannot** be claimed in the Voucher Program) after the tenant has vacated the unit. The owner must also comply with the Delaware Landlord-Tenant Code regarding the return of, or claims against, the security deposit. Owner claims to DSHA for damages and unpaid rent must be accompanied by a copy of a **court judgment** against the tenant. Copies of any correspondence should also be provided to DSHA.

Although DSHA will make payments on behalf of the tenant, the tenant is ultimately responsible for any damages to the unit caused by the tenant's action or failure to act (e.g. failure to pay utility bills that are not included in the rent but which are the ultimate responsibility of the owner), unpaid rent, or vacancy loss paid by DSHA to the owner. If the tenant wants a Voucher to move to another unit, s/he **must repay in full the debt owed DSHA**. The family will also have to repay the debt in full if the family goes off the program and later reappplies for the program. The family can be placed on the waiting list, but payment in full must be made before issuance of a new Voucher. Repayment Agreements **cannot** be carried over to another unit.

### **A. UNPAID RENT**

Unpaid rent is the tenant's portion of rent due and payable while the tenant is under the Voucher lease. It does not include any rent beyond the termination period of the HAP Contract.

The owner is strongly encouraged to use remedies under the lease in a timely manner, such as court procedures, to obtain uncollected rent. Because there are remedies under the lease, DSHA will pay unpaid rent claims for **no more than two** months back rent prior to the vacate date and/or termination of HAP Contract.

### **B. DAMAGES**

All claims for damages must be supported by a court judgment. Separate agreements are not considered to be included as a tenant obligation under the lease or addendum.

### **C. VACANCY LOSS**

Vacancy loss is applicable to the Certificate Program **only**. To claim vacancy loss, the landlord must meet the minimum requirements of having notified DSHA of the vacancy and must have advertised the vacancy. A copy of the advertisement and the dates advertised must be submitted to DSHA along with the damage/vacancy loss claim. No eligible prospective tenant may have been denied housing, except for good cause, in order for an owner to claim vacancy loss. DSHA also makes prompt referrals of Voucher holders to units still under contract which have become vacant, so as to reduce vacancy loss claims.

#### **D. PROCESSING CLAIMS**

The procedures in this section are not intended to replace the requirements of the Delaware Landlord-Tenant Code regarding security deposits. They describe procedures that must be followed if the landlord claims additional reimbursement from DSHA beyond the amount of the Section 8 tenant's security deposit as provided for in the HAP Contract.

All unpaid rent, damage, and vacancy loss claims must be submitted to DSHA within 60 days of the date of move-out. DSHA will extend the claim period if the case is still pending in court.

Any amount owed by the tenant to the owner for unpaid rent, damages and/or vacancy loss will first be deducted from the security deposit which an owner could have collected under the program rules. If the security deposit is insufficient to reimburse the owner, the owner may request reimbursement from DSHA up to the limits for each program.

Once payment is made to the owner, DSHA will inform the family of the payment and of the family's responsibility to reimburse DSHA for payment made on their behalf. DSHA will request the family to enter into a Repayment Agreement. The family will be informed that nonpayment of monies owed to DSHA may result in termination from the Section 8 Program and preclude the possibility of participating in the Program in the future. The family's assistance will not be terminated for nonpayment, however, until they move from their current unit.

When a HAP Contract is terminated and the family does not continue in the program, DSHA promptly issues the Voucher to the family next in line on the waiting list.

## XX. COMPLAINTS AND APPEALS

### A. GENERAL POLICY

DSHA responds promptly and investigates complaints by families or owners on any aspect of the Section 8 Program. Complaints from the public are checked whenever possible. The privacy rights of all DSHA clients are meticulously observed

Complaints regarding physical condition of the units may be reported by phone to the Section 8 Office. DSHA may require that complaints other than HQS violations be put in writing to DSHA. All complaints will be documented in the tenant's file.

If the family making the complaint is disabled refer to the **Equal Access Statement** at the front of the Admin Plan. Appropriate assistance in preparing or presenting the complaint will be provided.

### B. INFORMAL MEETING AND REVIEW PROCEDURES FOR APPLICANTS

See Chapter V.

### C. INFORMAL HEARING PROCEDURES FOR PARTICIPANTS

Appeals by participants of DSHA's Section 8 Voucher Program shall be handled as outlined in the HUD regulations on **Informal Hearings**. Informal hearings for participants who are disabled will be held at accessible locations.

Participants are families who have an effective lease or contract and are currently participating in the Voucher Program.

Families must be notified of their right to an informal hearing in most circumstances in which DSHA makes a decision affecting their eligibility or assistance.

DSHA will give the participant a prompt written notice of the determination which will describe:

1. The reasons for the decision;
2. The procedures for requesting a hearing if the participant does not agree with the determination; and
3. The time frame for requesting a hearing.

DSHA must provide program participants with the opportunity for an informal hearing for decisions related to:

1. Calculation of the TTP or Tenant Rent;
2. Termination of assistance;
3. Determination that a family is overhoused and is denied an exception to the Subsidy Standards; and

4. Determination of bedroom size on the Voucher.

Informal hearings are not required for established policies and procedures and DSHA determinations such as:

1. Failing a unit for HQS violations;
2. Refusal to extend a Voucher;
3. Imposing sanctions against an owner who is not in compliance with program requirements;
4. Discretionary administrative determinations; and
5. General policy issues or class grievances.

All requests for Informal Hearings must be made within **10** days from the date on the notification letter.

The Informal Hearing shall be conducted by the Hearing Officer who is a person appointed by DSHA who is neither the person who made or approved of the decision under review or a subordinate of such person. The hearing may be tape recorded.

The participant will be given the option of presenting oral or written objections to the decision in question. The family has a right to legal counsel, at their own expense. The Hearing Officer will regulate the conduct of the hearing. Both DSHA and the family must have the opportunity to present evidence and/or witnesses.

The Hearing Officer will make a determination on how the policy or regulation was applied. A notice of the Hearing findings shall be provided in writing to DSHA with a copy to the participant within 10 working days and shall include a brief explanation of the reasons for the final decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

For decisions regarding termination of assistance, DSHA will conduct the hearing prior to terminating assistance.

DSHA may implement the following changes prior to the hearing:

1. Changes in TTP or Tenant Rent;
2. Denial of a new Voucher for a family that wants to move; and
3. Unit size determinations for a family that wants to move.

DSHA is not bound by hearing decisions:

1. Concerning matters in which DSHA is not required to provide an opportunity for a hearing;

2. Contrary to HUD regulations or requirements;
3. Contrary to Federal, State or local laws; or
4. That exceed the authority of the person conducting the hearing.

DSHA shall promptly send a letter to the participant if it determines DSHA is **not** bound by the Hearing Officer's determination. The letter shall include DSHA's reasons for the decision.

**D. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NONCITIZENS"**

Assistance to an applicant or participant family may **not** be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on an appeal to INS.

Assistance to a participant family may **not** be terminated or denied while the DSHA hearing is pending, but assistance to an applicant **may be delayed** pending DSHA's hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, DSHA will notify the applicant or participant within 10 days of their right to appeal to the INS within 30 days or to request an informal hearing with DSHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give DSHA a copy of the appeal and proof of mailing or DSHA may proceed to deny or terminate. The time period to request an appeal may be extended by DSHA for good cause.

The request for a DSHA hearing must be made within 14 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within 14 days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in paragraph C of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members, DSHA will:

Deny the applicant family;

Defer termination if the family is a participant and qualifies for deferral; or

Terminate the participant if the family does not qualify for deferral.

If there are eligible members in the family, DSHA will offer to prorate assistance or give the family the option to remove the ineligible member(s).

Other situations relating to eligible citizen/immigrant status will be handled as follows:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to meet this requirement, the family will be denied or terminated.

Participants whose termination is carried out after temporary deferral may **not** request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is prorated (based either on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determination of Tenant Rent and TTP.

Families denied or terminated for fraud in connection with the non-citizen rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

DSHA will follow the procedures contained in Housing Agencies (HAs) Guidebook: Restrictions on Assistance to Noncitizens (HUD Guidebook 7465.7) to handle situations not covered above.

#### **E. WAIVER BOARD FOR MOVING TO WORK PARTICIPANTS**

Certain matters that arise under the MTW program can be reviewed by the MTW Waiver Board. The Waiver Board will hear appeals that arise under the terms of the COMP. The Board can hear the following requests:

1. Exemption from participation in the MTW program
2. Extension of MTW time limits

The Waiver Board will have nine members appointed to one-year terms by the Director of DSHA. Five members shall constitute a quorum of the Board.

## **XXI. MISSED APPOINTMENTS**

For most of the functions and interviews required of the family, two appointments will be given.

If an applicant does not show up and fails to call within 3 working days after the missed appointment to reschedule the appointment, DSHA will remove the applicant's name from the waiting list. If the applicant fails to show up or does not reschedule prior to the second scheduled appointment, they will be dropped from the waiting list. The applicant will be given an opportunity for an Informal Review.

The same rules, with one modification, apply to participants. If their unit is not accessible for the first scheduled HQS inspection, a second date will be scheduled as soon as possible by DSHA. If the unit is not accessible on this date, or the inspection was not rescheduled prior to this date, the participant's assistance will be terminated. The participant will be given an opportunity for an Informal Hearing.

If the Review/Hearing Officer makes a determination in favor of the applicant or participant, another appointment for the function for which the review/hearing is being held will be scheduled.

A participant's assistance will be terminated at the end of the month following the month of the missed appointment (30 days notice in accordance with the HAP contract) unless other circumstances take precedence.

Extenuating circumstances will be considered in all cases.

## XXII. TRANSFER POLICY

In the event funding for the Section 8 Voucher Program is temporarily limited, participant families who require a larger Voucher size will be accommodated before new Vouchers are issued to applicants on the waiting list. A delay in reissuing turnover Vouchers will be put into effect in order to satisfy the subsidy requirements of participant families.

When this situation exists, participants will be provided with new Vouchers in this order:

1. A participant family who requires a change in Voucher size under the subsidy standards and also is living in a unit which is now overcrowded according to Housing Quality Standards.
2. A participant family who requires a change in Voucher size under the subsidy standards but **is not living** in a unit which is now overcrowded (according to Housing Quality Standards) or underoccupied.
3. A family who needs a Voucher as a result of portability. DSHA will administer the Voucher of the initial PHA or may, at DSHA's option, issue an available Voucher out of DSHA's program.

Voucher sizes will be changed at the next annual recertification, or sooner if the family moves to a new unit.

### **XXIII. MONITORING PROGRAM PERFORMANCE**

Monthly statistical reports are prepared on the waiting list, Voucher Lease-up status and the HAP Register to assure achievement of the outreach goal, the leasing schedule and the maximum use of available subsidy funds.

The Assistant Housing Management Program Administrator completes quality control reviews on tenant files and Housing Quality Standards inspections in accordance with 24 CFR 985. A minimum of 20 tenant files and 20 Section 8 units are reviewed annually to ensure compliance with program requirements pertaining to Selection from the Waiting List, Rent Reasonableness, Determination of Adjusted Income, HQS Enforcement and HQS Inspections.

## **XXIV. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM**

### **A. PAYMENT STANDARDS**

The Payment Standards are used to calculate the housing assistance payment for a family. DSHA is required by HUD to set and adjust the Payment Standards so that they are between 90 percent and 110 percent of the current Fair Market Rents which are published annually by HUD. Payment Standards may be different for the two Fair Market Rent areas in DSHA's jurisdiction.

### **B. AFFORDABILITY ADJUSTMENTS**

Each September DSHA evaluates the Payment Standards used for the Voucher Program. The following factors will be considered when determining the need for an affordability adjustment to the Payment Standards:

1. The most recent annual adjustment factors published by HUD.
2. Current Fair Market Rents published by HUD.
3. Local vacancy rates.
4. Participant rent burdens (Percent of tenant rent to adjusted household income).
5. The average time period for finding eligible housing.

## **XXV. FAMILY UNIFICATION VOUCHER SET-ASIDE**

A total of 15 Vouchers will be set aside for applicant families for whom the lack of adequate housing is the primary factor in either (1), the imminent placement of the family's child or children in out-of-home care or (2), the delayed discharge of a child or children to the family from out-of-home care. Families offered assistance under one of these conditions must be on the Section 8 waiting list and be otherwise eligible. They will also be required to enroll in the MTW Program, unless exempt.

### **A. REFERRALS**

Family unification eligibility must be certified to DSHA in writing by The Delaware Department of Services for Children, Youth and Their Families, Division of Family Services (DFS). DFS must also agree to maintain the family as an active case for the first six months of the family's participation in the Section 8 Program. DSHA will refer families on the waiting list to DFS if information families provide DSHA appears to warrant consideration by DFS.

### **B. SELECTION**

Families eligible for this assistance will be issued a Voucher at a rate of two families per month according to date and time of application, and ahead of all others on the waiting list until the 15 Vouchers are issued. The Kent and Sussex County residency preference applicable to all other Section 8 applicants will also apply. If all 15 Vouchers are being used to house families, the remaining families eligible for this family unification assistance can remain on the appropriate DSHA waiting lists.

If a family does not find a unit in the time allowed by Section 8 regulations (60 days and possibly two 30-day extensions), they will lose the Voucher. However, they can remain on the waiting list with the original application date and will be processed again when they reach the top of the list.

### **C. CONTINUING ELIGIBILITY**

Once housed, a family's continuing Section 8 eligibility will be recertified under the same criteria used for all other Section 8 families. When the family is no longer eligible for Section 8 assistance, the Voucher will be issued to the next eligible family unification applicant.

## **XXVI. SECTION 8 HOMEOWNERSHIP (24 CFR 982, SUBPART M)**

DSHA will offer the Section 8 Housing Choice Voucher Homeownership Option to all eligible families who are participants in DSHA's Section 8 and Public Housing Programs. DSHA's program is known as the Resident Homeownership Program (RHP). Several variations to the policies and procedures provided in this Chapter applicable only to disabled families are found in 24 CFR 982.642. This regulation provides a pilot program for disabled families and is applicable to families who close on the purchase of a home during the period from July 23, 2001 through July 23, 2004.

DSHA's status as a PHA with a block-granted, Moving to Work (MTW) Demonstration Program affords the opportunity to make this option available to public housing families as well as Section 8 families. All preliminary requirements must be met by the public housing family. Families will be issued a Section 8 Homeownership Voucher upon closing on their home and be required to follow all rules and procedures of this program.

### **A. ELIGIBILITY REQUIREMENTS**

The family must meet all the requirements listed below before commencement of the homeownership assistance.

Must be a Section 8 Voucher participant or public housing resident.

Must qualify as a first-time homeowner, unless the family is elderly or disabled. This means no household member has had an ownership interest in any residence during the three years preceding commencement of participation in the RHP. A single parent or displaced homemaker who, while married, owned a home with a spouse or resided in a home owned by a spouse, is considered a first time homeowner.

Must have a minimum annual gross income of \$18,000 per year based on the income of adult family members who will own the home. Unless the family is elderly or disabled, income from welfare assistance will **not** be counted toward this requirement.

At least one adult family member who will own the home must be currently employed full time and have been continuously employed full time for one year. Full time is defined as at least 30 hours per week. This requirement does **not** apply to elderly or disabled families. A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided:

There was only **one break** in the year prior to the family's request to participate in the homeownership program.

The break did not exceed **30** calendar days.

Must be in full compliance with Section 8 or public housing program requirements.

The family must **not** owe any money to DSHA or any other PHA.

Any family member who has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

## **B. HOMEOWNERSHIP COUNSELING REQUIREMENTS**

When the family has been determined eligible, they must attend and complete homeownership counseling sessions, and be declared “mortgage-ready” by a HUD-approved counseling agency and DSHA. **Pre-homeownership** counseling sessions will include, at a minimum, the following topics:

Home and grounds maintenance.

Budgeting and money management.

Credit counseling.

How to negotiate the purchase price of a home.

How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing.

How to find a home, including information about homeownership opportunities, schools and transportation.

Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas.

Information about State and federal truth-in-lending laws, and how to identify and avoid predatory lenders.

Information on fair housing, including fair housing lending and local fair housing enforcement agencies.

The family must be deemed “mortgage ready” within **two years** from the date of entering homeownership counseling. If the family is not deemed “mortgage ready” it is at DSHA’s discretion whether or not to extend the time period.

The family will also be required (subject to loss of homeownership subsidy) to attend **post-homeownership** counseling sessions to ensure the family is successfully adjusting to the responsibilities of homeownership. A session will be required after the first **three** months of homeownership and also after the **9<sup>th</sup>** and **15<sup>th</sup>** months of ownership.

## **C. ELIGIBLE UNITS**

The unit must meet all of the following requirements:

HUD Housing Quality Standards.

A single family home, existing or under construction (footers must be poured) at the time the family enters into a sales contract.

Manufactured homes **must** be on a permanent foundation and the lot **must** be included with the home purchase.

Must **not** be a public housing unit, a loft, a condominium, a live/work unit, a unit receiving Section 8 project-based assistance, a nursing home, a boarding home, a facility providing continual psychiatric, medical or nursing services, a school dormitory, a lease-to-purchase unit, or a unit on the grounds of any public or private institution.

DSHA will not approve the seller of the unit if the seller is debarred, suspended or subject to a limited denial of participation in HUD programs.

#### **D. SEARCH AND PURCHASE REQUIREMENTS**

Once the family has been determined to be “mortgage ready”, the family will have **180 days** to sign a contract to purchase a home. DSHA will require **monthly reports** from the family on the progress in finding and purchasing a home.

If the family does **not sign** a contract to purchase a home within the 180-day period, it is at DSHA’s discretion whether or not to extend the time period. If the time period is not extended, DSHA will allow the family to continue participation in the Section 8 Program with a rental voucher, or if a public housing resident, continue residence in their public housing unit. If the family is a MTW participant, MTW policies and procedures will continue to apply.

#### **E. INSPECTION AND CONTRACT**

DSHA will perform a HQS inspection **before** an independent home inspection is conducted.

An independent home inspection must be conducted by a member of American Certified Home Inspectors or the National Association of Home Inspectors who is selected and paid for by the family. The inspector will **not** be a DSHA employee or contractor.

The inspection must cover major building systems and components including, but not limited to, the foundation, structure, roofing, interior and exterior surfaces, and plumbing, electrical and heating systems.

A copy of the independent inspection report must be provided to the family and DSHA. Based on the information in the report, the family and DSHA will determine if any pre-purchase repairs are necessary.

DSHA may **disapprove** the unit for homeownership assistance because of information in **either** of the inspection reports.

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to DSHA. The contract must specify the price and terms of sale, and provide that

the purchaser will arrange for a pre-purchase independent inspection. The contract must also:

Provide that the buyer is not obligated to buy the unit unless the inspections are satisfactory.

Provide that the buyer is not obligated to pay for necessary repairs.

Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.

## **F. FINANCING**

The family is responsible for securing financing. The rates, terms and the mortgage lender are subject to approval by DSHA. Funds from the family's Moving to Work (MTW) savings account and/or Individual Development Account (IDA) may be used, but only at settlement or at DSHA's discretion. DSHA has established the financing requirements listed below:

Maximum purchase price to be determined by the lender.

Minimum down payment is **three percent** of the purchase price.

Family must provide **one percent** of the down payment from the family's personal resources. MTW savings can be used for this purpose, but IDA funds may not.

DSHA will pay the housing assistance payment (HAP) portion of the mortgage payment directly to the family as a co-payee. The family will co-sign this check and send it along with their portion of the mortgage payment directly to the lender.

DSHA prohibits the following forms of financing:

Balloon payment mortgages.

Variable interest rate loans.

Seller or family financing.

Predatory lending.

If the family **defaults** on the home mortgage loan, the family will **not** be able to use its RHP assistance for rental housing, but may reapply to the waiting list for assistance. All debt to DSHA must be paid prior to receiving rental assistance. Any family member who has previously defaulted on a RHP mortgage is barred from receiving future RHP assistance.

## **G. CONTINUED ASSISTANCE**

Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the

family moves out.

Before commencement of homeownership assistance the family must execute form HUD-52649, Statement of Homeowner Obligations, Housing Choice Homeownership Voucher Program.

These obligations are in addition to the Obligations of the Family listed on the family's voucher, **except** for those pertaining to rental units (See 982.551(c) through (g) and (j)).

## **H. MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE**

Except in the case of elderly or disabled families whose maximum term is limited by the terms of the mortgage, the maximum term of homeownership assistance is:

15 years, if the initial mortgage term is 20 years or longer.

10 years in all other cases.

The elderly exception **only** applies if the family qualified as elderly at the start of homeownership assistance. There is no maximum HAP term for the initial mortgage.

The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled. There is no maximum HAP term for the initial mortgage.

If the family **ceases** to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date the assistance began. However, such a family must be afforded at least **six months** of homeownership assistance after the maximum term becomes applicable.

If the family receives homeownership assistance for different homes, or from different PHAs, the total is subject to the maximum term limitations.

## **I. HOMEOWNERSHIP ASSISTANCE PAYMENTS (HAP) AND HOMEOWNERSHIP EXPENSES**

The monthly HAP is the **lower** of:

The difference between the Section 8 voucher payment standard minus 30% of the tenant's monthly adjusted income, or

The monthly homeownership expenses minus 30% of the tenant's monthly adjusted income.

In determining the amount of the HAP, DSHA will use the same payment standard schedule, payment standard amounts and subsidy standards as those described in Chapters VII and XXIV of this plan.

Some homeownership expenses are allowances or standards determined by DSHA in accordance with HUD regulations. The **monthly** allowances listed below are used in determining expenses for all homeownership families and are **not** based on the condition of the home:

Principal and interest on mortgage debt.

Mortgage insurance premium.

Taxes and insurance.

The DSHA Section 8 voucher utility allowance used for the voucher program.

**One half percent** of purchase price for routine maintenance costs divided by 12 months.

**One percent** of purchase price for major repairs and replacements divided by 12 months.

Principal and interest on debt for improvements.

#### **J. PORTABILITY**

Subject to the restrictions on portability included in HUD regulations and this Plan, the family may exercise portability if the receiving PHA is administering a Section 8 Voucher Homeownership Program or has agreed to accept voucher homeownership families.

The receiving PHA may absorb the family into its voucher program, or bill DSHA. The receiving PHA arranges for housing counseling and the receiving PHA's homeownership policies apply.

#### **K. MOVING WITH CONTINUED ASSISTANCE**

A family receiving homeownership assistance may move with continued voucher homeownership assistance provided no family member continues to hold title to the prior home. However, the period for which they are eligible for the homeownership subsidy is **not extended**.

Additional homeownership counseling will be required prior to moving to a new unit in the RHP.

No more than **one** move per year will be permitted.

The family will **not** be able to give up homeownership and continue with a Section 8 **rental** voucher unless the family's head of household or spouse was disabled upon initial participation in the homeownership program or becomes disabled while participating. If a non-disabled family gives up homeownership, the family may submit an application for placement on DSHA's waiting list.

For a MTW family, initial participation in the Section 8 homeownership option is considered successful completion of the MTW Program and the balance in their MTW savings account is awarded to the family at that time.

## **L. DENIAL OR TERMINATION OF ASSISTANCE**

Homeownership assistance can be denied or terminated if the family does not comply with the homeownership obligations listed above under Continued Assistance, or the obligations of the basic Section 8 Housing Choice Voucher Program. Additionally, DSHA will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure. Under these circumstances, DSHA will **not** permit the family to move with continued voucher rental assistance.

## **GLOSSARY OF ACRONYMS**

<b>AAF</b>	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
<b>ACC</b>	Annual Contributions Contract
<b>CFR</b>	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR are published Federal rules which define and implement a law.
<b>FMR</b>	Fair Market Rent
<b>HAP</b>	Housing Assistance Payment
<b>HQS</b>	Housing Quality Standards
<b>HUD</b>	Department of Housing and Urban Development
<b>MTW</b>	Moving to Work Program
<b>PHA</b>	Public Housing Agency
<b>RTA</b>	Request for Tenancy Approval
<b>TTP</b>	Total Tenant Payment
<b>UA</b>	Utility Allowance
<b>URP</b>	Utility Reimbursement Payment

## **GLOSSARY OF TERMS IN SUBSIDIZED HOUSING**

**ADJUSTED INCOME.** Annual income, less allowable HUD deductions.

**ANNUAL CONTRIBUTIONS CONTRACT (ACC).** A written agreement between HUD and a PHA to provide annual contributions to cover housing assistance payments and other expenses pursuant to the Act. If there is a State Agency administering the Section 8 Program, for example, there is usually an ACC between the State Agency and HUD.

**ANNUAL INCOME.** The anticipated total annual income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

**ASSETS.** (See Net Family Assets.)

**ASSISTED TENANT.** A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

**CHILD CARE EXPENSES.** Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for an adult to further their education.

**CONTRACT.** (See Housing Assistance Payments Contract.)

**DATING VIOLENCE.** [as defined in Section 40002 of VAWA 1994] which states as follows: SEC 40002(a)(8) – “**DATING VIOLENCE-** The term ‘dating violence’ means violence committed by a person—

1. who is or has been in a social relationship of a romantic or intimate nature with the victim; and
2. where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - (i) The length of the relationship;
  - (ii) The type of relationship;
  - (iii) The frequency of interaction between the persons involved in the relationship.”

**DEPENDENT.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person, or is a full-time student 18 years of age or over.

**DISABLED PERSON.** A person who is any of the following:

1. Has a disability as defined in section 223 of the Social Security Act (42 USC 423).
2. Has a physical, mental, or emotional impairment that:
  - a. Is expected to be of long-continued and indefinite duration;

- b. Substantially impedes his or her ability to live independently; and
  - c. Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
3. A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 USC 6001(7)).

**DOMESTIC VIOLENCE.** [as defined in Section 40002 of VAWA 1994] which states as follows: SEC 40002(a)(6) – “DOMESTIC VIOLENCE - The term ‘domestic violence’ includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction.”

**ELDERLY HOUSEHOLD.** A family whose head or spouse or whose sole member is at least 62 years of age or a disabled person as defined in this section or may include 2 or more elderly or disabled persons living together or 1 or more such persons living with another person who is determined to be essential to his or her care and well being.

**ELDERLY PERSON.** One who is at least 62 years old.

**ELIGIBLE FAMILY (Family).** A family is defined by DSHA in the Administrative Plan.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

**FAIR MARKET RENTS.** The rent limits published in the Federal Register for the Section 8 Certificate Program which includes utilities (except telephone) and ranges and refrigerators. It is used as a standard to obtain existing privately owned, decent, safe and sanitary rental housing of a modest (non-luxury) nature with suitable amenities. Separate FMR's are established for dwelling units of varying sizes (number of bedrooms). It is used as a maximum for Gross Rent in the Certificate Program (without an exception rent.) In the Voucher Program it is used as a cap for the Payment Standards. The FMR is published by HUD annually in the Federal Register to be effective October 1st.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the state, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

**GROSS RENT.** The sum of the contract rent and the utility allowance. If there is no utility allowance, contract rent equals gross rent.

**HANDICAP ASSISTANCE EXPENSES.** Anticipated costs for care attendants and auxiliary

apparatus for disabled family members which enable a family member (including the disabled family member) to work.

**HARD-TO-HOUSE.** Refers to the special assistance given to families with three or more minors to enable them to find suitable housing. DSHA receives a separate administrative fee for these families.

**HEAD OF HOUSEHOLD.** The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOUSING ASSISTANCE PAYMENT.** The payment made by DSHA to the owner of a unit under lease by an eligible family, as provided in the HAP Contract. The payment is the difference between the Contract Rent (Rent to Owner in the Voucher Program) and Tenant Rent.

**HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP Contract).** A written contract between a PHA and an owner in the form prescribed by HUD in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

**HUD.** The Department of Housing and Urban Development.

**IMMEDIATE FAMILY MEMBER.** A spouse, parent, brother, sister, or child of that person, or an individual to whom that person stands in loco parentis; or

Any other person living in the household of that person and related to that person by blood or marriage.”

**IMPUTED ASSET.** Asset disposed of for less than fair market value during two years preceding examination or reexamination.

**IMPUTED INCOME.** HUD passbook rate x total cash value of assets. Calculation when assets exceed \$5,000.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME FOR ELIGIBILITY.** Annual income.

**LANDLORD.** This term means either the owner of the property or his or her representative or the managing agent or his representative, as shall be designated by the owner.

**LEASE.** A written agreement between an owner and an eligible family for the leasing of a housing unit. The Section 8 Voucher Programs use a lease that has mandatory language which must be incorporated into any lease DSHA uses.

**LOW-INCOME FAMILY.** A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low incomes.

**MEDICAL EXPENSES.** Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not

covered by insurance. A deduction for Elderly Households only.

**MINOR.** A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MONTHLY ADJUSTED INCOME.** 1/12 of the Annual Income after Allowances.

**MONTHLY INCOME.** 1/12 of the Annual Income.

**NET FAMILY ASSETS.** Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition. In cases where a trust fund has been established and the trust is not revokable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust.

**OWNER.** Any person or entity having the legal right to lease housing.

**PAYMENT STANDARD.** The amount used to calculate the housing assistance a family will receive in DSHA's Section 8 Voucher Program.

**PARTICIPANT.** A family becomes a participant in DSHA's Section 8 Voucher Program when there is an effective lease and HAP Contract.

**PUBLIC ASSISTANCE.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly by federal, state, or local governments.

**PUBLIC HOUSING AGENCY.** Any state, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of housing for low-income families.

**RECERTIFICATION.** Sometimes called reexamination. The process of securing documentation to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

**REMAINING MEMBER OF TENANT FAMILY.** Person left in assisted housing after other family members have left and become unassisted.

**RENT TO OWNER.** It is the total amount of rent payable monthly to the owner by the family and DSHA for an assisted unit.

**SECURITY DEPOSIT.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent, damages or other amounts to the owner under the lease.

**SERVICE PERSON.** A person in the active military or naval service (including the active reserve) of the United States.

**SINGLE PERSON.** A person living alone or intending to live alone.

**SPOUSE.** The husband or wife of the head of the household.

**STALKING.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a person in reasonable fear of the life of, or serious bodily injury to, or to cause substantial emotional harm to that person, a member of the immediate family of that person, or the spouse or intimate partner of that person.

**TENANT RENT.** The amount payable monthly by the family is Rent to Owner less HAP.

**TOTAL TENANT PAYMENT (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**UNIT.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from 0 bedrooms to 6 bedrooms.

**UTILITIES.** Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

**UTILITY ALLOWANCE.** DSHA's estimate of the average monthly utility bills (except telephone) for an energy-conscious household. This estimate considers only utilities paid directly by the tenant. If all utilities are included in the rent, there is no utility allowance. Utility allowances vary by unit type and are listed on DSHA's Utility Allowance Schedule.

**UTILITY REIMBURSEMENT PAYMENT.** The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

**VERY LOW-INCOME FAMILY.** A Lower Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

**VETERAN.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

**WELFARE ASSISTANCE.** Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments.

## **GLOSSARY OF TERMS RELATED TO 504 REQUIREMENTS**

**Accessible Facility.** Facility or portion of a facility other than an individual dwelling unit that when designed, constructed or altered can be approached, entered, and used by individuals with physical disabilities.

**Accessible dwelling unit.** Individual dwelling units located on an **accessible route** and when designed, constructed, altered or adapted can be approached, entered, and used by individuals with physical disabilities. When an individual dwelling unit in an existing facility is being made accessible for use by a specific individual, the unit will be deemed accessible when it meets the standards that address the impairment of that individual.

**Accessible route.** For mobility impairment -- a continuous unobstructed path, complies with space and reach requirements of the Uniform Federal Accessibility Standards.

For hearing and vision impairment -- the route need not comply with requirements specific to mobility.

**Adaptability.** Ability to change certain elements in a dwelling unit to accommodate the needs of disabled and non-disabled persons; or ability to meet the needs of persons with different types and degrees of disability.

**Alteration.** Any change in a facility or its permanent fixtures or equipment. It does not include: normal maintenance or repairs, reroofing, interior decoration or changes to mechanical systems.

**Auxiliary Aids.** Means services or devices that enable persons with impaired manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs or activities.

**Facility.** Means all or any portion of buildings, equipment, walks, rolling stock, structures, roads, parking lots, other real or personal property or interest in the property.

**Multifamily housing project.** Means a project containing five or more dwelling units.

**Project.** Means the whole of one or more residential structures and appurtenant structures, equipment, roads, walks, and parking lots which are covered by a single contract for Federal financial assistance or application for assistance, or are treated as a whole for processing purposes, whether or not located on a common site.

**Qualified individual with Disabilities.** A person who meets the essential eligibility requirements established in these policies as well as other explicit or implicit requirements inherent in the nature of the Section 8 Program. Also, see the definition of Disabled Person in the general glossary.

**Uniform Federal Accessibility Standards.** The standards for design, construction, and alteration of publicly owned residential structures. These standards can be found in 24 Code of Federal Regulation, Part 40, Appendix A. Owners cannot be required to modify units to these standards, but the standards can be used to assess the claim of an accessible unit or designate a unit as accessible.