

**HOUSING AUTHORITY OF SKAGIT COUNTY SECTION 8
ADMINISTRATIVE PLAN
TABLE OF CONTENTS**

1.0	EQUAL OPPORTUNITY	4
1.1	FAIR HOUSING	4
1.2	REASONABLE ACCOMMODATION	4
1.3	QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION	5
1.4	SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS	6
1.5	FAMILY/OWNER OUTREACH	6
1.6	RIGHT TO PRIVACY	7
1.7	REQUIRED POSTINGS	7
2.0	SKAGIT COUNTY HOUSING AUTHORITY/OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY	7
2.1	SKAGIT COUNTY HOUSING AUTHORITY RESPONSIBILITIES	7
2.2	OWNER RESPONSIBILITY	9
2.3	OBLIGATIONS OF THE PARTICIPANT	10
3.0	ELIGIBILITY FOR ADMISSION	12
3.1	INTRODUCTION	12
3.2	ELIGIBILITY CRITERIA	13
4.0	MANAGING THE WAITING LIST	19
4.1	OPENING AND CLOSING THE WAITING LIST	19
4.2	TAKING APPLICATIONS	18
4.3	ORGANIZATION OF THE WAITING LIST	20
4.4	FAMILIES NEARING THE TOP OF THE WAITING LIST	21
4.5	MISSED APPOINTMENTS	21
4.6	PURGING THE WAITING LIST	20
4.7	REMOVAL OF APPLICANTS FROM THE WAITING LIST	21
4.8	GROUNDWORK FOR DENIAL	22
4.9	NOTIFICATION OF NEGATIVE ACTIONS	23
4.10	INFORMAL REVIEW	23
5.0	SELECTING FAMILIES FROM THE WAITING LIST	24
5.1	WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS	24
5.2	PREFERENCES	24
5.3	SELECTION FROM THE WAITING LIST	25
6.0	ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)	26
6.1	BRIEFING	27
6.2	PACKET	28
6.3	ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY	30
6.4	TERM OF THE VOUCHER	30
6.5	APPROVAL TO LEASE A UNIT	31

6.6	SKAGIT COUNTY HOUSING AUTHORITY DISAPPROVAL OF OWNER	32
6.7	INELIGIBLE/ELIGIBLE HOUSING	33
6.8	SECURITY DEPOSIT	34
7.0	MOVES WITH CONTINUED ASSISTANCE	35
7.1	WHEN A FAMILY MAY MOVE	35
7.2	PROCEDURES REGARDING FAMILY MOVES	36
8.0	PORTABILITY.....	38
8.1	GENERAL POLICIES OF THE SKAGIT COUNTY HOUSING AUTHORITY	38
8.2	INCOME ELIGIBILITY	37
8.3	PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY ..	38
8.4	PORTABILITY PROCEDURES	39
9.0	DETERMINATION OF FAMILY INCOME.....	41
9.1	INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME.....	40
9.2	INCOME	40
9.3	EXCLUSIONS FROM INCOME	44
9.4	DEDUCTIONS FROM ANNUAL INCOME.....	48
10.0	VERIFICATION	49
10.1	ACCEPTABLE METHODS OF VERIFICATION.....	49
10.2	TYPES OF VERIFICATION	51
10.3	VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS.....	54
10.4	VERIFICATION OF SOCIAL SECURITY NUMBERS	55
10.5	TIMING OF VERIFICATION	56
10.6	FREQUENCY OF OBTAINING VERIFICATION.....	56
11.0	RENT AND HOUSING ASSISTANCE PAYMENT	56
11.1	GENERAL	56
11.2	RENT REASONABLENESS	57
11.3	COMPARABILITY	57
11.4	MAXIMUM SUBSIDY	57
11.4.1	SETTING THE PAYMENT STANDARD	58
11.4.2	SELECTING THE CORRECT PAYMENT STANDARD FOR A FAMILY.....	58
11.4.3	AREA EXCEPTION RENTS	59
11.4.4	CHANGES IN PAYMENT STANDARDS.....	60
11.5	ASSISTANCE AND RENT FORMULAS.....	60
11.6	UTILITY ALLOWANCE.....	64
11.7	DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT	65
11.8	CHANGE OF OWNERSHIP.....	65
12.0	INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS.....	66
12.1	TYPES OF INSPECTIONS.....	66
12.2	OWNER AND FAMILY RESPONSIBILITY	67
12.3	HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401	68
12.5	TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS.....	78
12.6	EMERGENCY FAIL ITEMS	80
12.7	ABATEMENT	80

13.0	OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S ENSUING RESPONSIBILITIES.....	81
13.1	OWNER CLAIMS FOR PRE-OCTOBER 2, 1995, UNITS	81
13.2	PARTICIPANT RESPONSIBILITIES	82
14.0	RECERTIFICATION.....	82
	CHANGES IN LEASE OR RENT	82
14.1	ANNUAL REEXAMINATION	83
14.1.1	<i>EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS</i>	83
14.1.2	<i>MISSED APPOINTMENTS</i>	83
14.2	INTERIM REEXAMINATIONS	84
14.2.1	<i>SPECIAL REEXAMINATIONS</i>	85
14.2.2	<i>EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS</i>	85
15.0	TERMINATION OF ASSISTANCE TO THE FAMILY BY THE SKAGIT COUNTY HOUSING AUTHORITY	86
16.0	COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS.....	88
16.1	COMPLAINTS	88
16.2	INFORMAL REVIEW FOR THE APPLICANT	88
16.3	INFORMAL HEARINGS FOR PARTICIPANTS.....	90
17.0	TERMINATION OF THE LEASE AND CONTRACT	95
18.0	CHARGES AGAINST SECTION 8 ADMINISTRATIVE FEE RESERVE.....	98
19.0	INTELLECTUAL PROPERTY RIGHTS.....	98
20.0	SKAGIT COUNTY HOUSING AUTHORITY OWNED HOUSING	98
21.0	QUALITY CONTROL OF SECTION 8 PROGRAM.....	99
22.0	TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM....	99
23.0	FAMILY DEBTS TO THE HOUSING AUTHORITY.....	100
24.0	PROJECT BASED ASSISTANCE.....	101
24.1	INTRODUCTION.....	101
24.2	NUMBER OF PROJECT-BASED UNITS	101
24.3	LOCATION	101
24.4	ADVERTISING POLICY.....	102
24.5	TERM OF PROJECT-BASED ASSISTANCE CONTRACT	102
24.6	UNIT SELECTION POLICY	102
24.7	TENANT SELECTION	102
24.8	LEASE TERM	102
24.9	VACANCY LOSS	103
24.10	REDUCTION IN THE CONTRACT NUMBER OF PBV UNITS	103
24.11	TENANT MOBILITY AND PORTABILITY	103
24.12	HQS INSPECTIONS	103

25.0	HOMEOWNERSHIP	103
25.1	OVERVIEW.....	103
25.2	FAMILY ELIGIBILITY.....	104
25.3	SELECTION OF FAMILIES	105
25.4	ELIGIBLE UNITS	105
25.5	ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE.....	106
25.6	HOMEOWNERSHIP COUNSELING.....	106
25.7	HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER	107
25.7.1	HOME INSPECTIONS	107
25.7.2	CONTRACT OF SALE	107
25.7.3	DISAPPROVAL OF SELLER	108
25.8	FINANCING.....	108
25.9	CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS.....	109
25.10	MAXIMUM TERM OF HOMEOWNER ASSISTANCE.....	110
25.11	HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES.....	111
25.12	PORTABILITY.....	112
25.13	MOVING WITH CONTINUED ASSISTANCE.....	113
25.14	DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638].....	114
GLOSSARY.....	115

SECTION 8 ADMINISTRATIVE PLAN

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

It is the policy of the Housing Authority of Skagit County to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, disability or sexual orientation be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Housing Authority of Skagit County housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the Housing Authority of Skagit County will make available Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be available upon request with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be available at the Housing Authority of Skagit County office. In addition, all appropriate written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The Housing Authority of Skagit County will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. The Housing Authority of Skagit County will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

1.2 REASONABLE ACCOMMODATION

Sometimes people with disabilities may need reasonable accommodation in order to take full advantage of the Housing Authority of Skagit County housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the Housing Authority of Skagit County will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the Housing Authority of Skagit County will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

1.3 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

- A. Is the requestor a person with disabilities? For this purpose the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the Housing Authority of Skagit County will obtain verification that the person is a person with a disability.

- B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the Housing Authority of Skagit County will obtain documentation that the requested accommodation is needed due to the disability. The Housing Authority of Skagit County will not inquire as to the nature of the disability.
- C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:
1. Would the accommodation constitute a fundamental alteration? The Housing Authority of Skagit County's business is housing. If the request would alter the fundamental business that the Housing Authority of Skagit County conducts, that would not be reasonable. For instance, the Housing Authority of Skagit County would deny a request to have the Housing Authority of Skagit County do grocery shopping for the person with disabilities.
 2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the Housing Authority of Skagit County may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally the individual knows best what they need; however, the Housing Authority of Skagit County retains the right to be shown how the requested accommodation enables the individual to access or use the Housing Authority of Skagit County's programs or services.

If more than one accommodation is equally effective in providing access to the Housing Authority of Skagit County's programs and services, the Housing Authority of Skagit County retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests will be borne by the Housing Authority of Skagit County if there is no one else willing to pay for the modifications. If another party pays for the modification, the Housing Authority of Skagit County will seek to have the same entity pay for any restoration costs.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, the request should be made to the property owner/manager. The Housing Authority does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible.

Any request for an accommodation that would enable a participant to materially violate family obligations will not be approved.

1.4 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

The Housing Authority of Skagit County will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families. The following language will be covered: Spanish

1.5 FAMILY/OWNER OUTREACH

The Housing Authority of Skagit County will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons who cannot or do not read newspapers the Housing Authority of Skagit County will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The Housing Authority of Skagit County will also try to utilize public service announcements.

The Housing Authority of Skagit County will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program.

The Skagit County Housing Authority will hold briefings for owners who participate in or who are seeking information about the Section 8 Program, to:

- A. Explain how the program works;
- B. Explain how the program benefits owners;
- C. Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways the Housing Authority of Skagit County helps owners do better screening; and
- D. Provide an opportunity for owners to ask questions, obtain written materials, and meet Housing Authority of Skagit County staff.

The Housing Authority of Skagit County will particularly encourage owners of suitable units located outside of low-income or minority concentration to attend. Targeted mailing lists will be developed and announcements mailed.

1.6 RIGHT TO PRIVACY

All adult members of both applicant and participant households are required to sign HUD Form 9886, *Authorization for Release of Information and Privacy Act Notice*. The *Authorization for Release of Information and Privacy Act Notice* states how family information will be released and includes the *Federal Privacy Act Statement*.

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant.

1.7 REQUIRED POSTINGS

The Housing Authority of Skagit County will post, in each of its offices in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

- A. The Section 8 Administrative Plan
- B. Office hours, telephone numbers, and hours of operation
- C. Fair Housing Poster
- D. Equal Opportunity in Employment Poster

1.8 HOTMA UPDATES AND COMPLIANCE

The Housing Opportunity Through Modernization Act (HOTMA) rules will not go into effect until HASC software is compliant with the new Housing Information Portal (HIP). When this occurs a compliance date will be set and all transactions effective on the compliance date or later will be processed using HOTMA policies.

2.0 HOUSING AUTHORITY OF SKAGIT COUNTY /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the Housing Authority of Skagit County, the Section 8 Owners/Landlords, and the participating families.

2.1 HOUSING AUTHORITY RESPONSIBILITIES

- A. The Housing Authority of Skagit County Housing Choice Voucher Program is funded by the federal government and administered by the Housing Authority of Skagit County in the jurisdictions of Skagit County and San Juan County. The Housing Authority of Skagit County will comply with the consolidated ACC, HUD

regulations and other requirements, and the Housing Authority of Skagit County Section 8 Administrative Plan.

- B. In administering the program, the Housing Authority of Skagit County must:
1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 2. Explain the program to owners and families;
 3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
 4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 6. Make efforts to help people with disabilities find satisfactory housing;
 7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
 8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
 9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5;
 10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;
 11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;
 12. Determine the amount of the housing assistance payment for a family;
 13. Determine the maximum rent to the owner and whether the rent is reasonable;
 14. Make timely housing assistance payments to an owner in accordance with the HAP contract;
 15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;

16. Establish and adjust Housing Authority of Skagit County utility allowance for Skagit County and San Juan County;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the Housing Authority of Skagit County, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain Housing Authority of Skagit County decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain Housing Authority of Skagit County decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits.
22. Ensure all actual and potential beneficiaries of its HCV program are aware of their rights under VAWA. The Housing Authority will provide all applicants and participants with information about VAWA at the time:
 - a. Of admission and at terminations.

2.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
 3. Complying with equal opportunity requirements.
 4. Preparing and furnishing to the Housing Authority of Skagit County information required under the HAP contract.
 5. Collecting from the family:
 - a. Any security deposit required under the lease.

- b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
 - c. Any charges for unit damage by the family.
- 6. Enforcing tenant obligations under the lease.
- 7. Paying for utilities and services (unless paid by the family under the lease).
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.
- D. The owner is responsible for notifying the Housing Authority of Skagit County sixty (60) days prior to any rent increase.

2.3 OBLIGATIONS OF THE PARTICIPANT

This Section states the obligations of a participant family under the program.

- A. Supplying required information
 - 1. The family must supply any information that the Housing Authority of Skagit County or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.
 - 2. The family must supply any information requested by the Housing Authority of Skagit County or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
 - 3. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
 - 4. Any information supplied by the family must be true and complete.
- B. HQS breach caused by the Family

The family is responsible for any HQS breach caused by the family or its guests.
- C. Allowing Housing Authority of Skagit County Inspection

The family must allow the Housing Authority of Skagit County to inspect the unit at reasonable times and after at least 2 days-notice.
- D. Violation of Lease

The family may not commit any serious or repeated violation of the lease.

E. Family Notice of Move or Lease Termination

The family must notify the Housing Authority of Skagit County and the owner before the family moves out of the unit or terminates the lease.

F. Owner Eviction Notice

The family must promptly give the Housing Authority of Skagit County a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. The Housing Authority of Skagit County must approve the composition of the assisted family residing in the unit. The family must promptly inform the Housing Authority of Skagit County of the birth, adoption or court-awarded custody of a child. The family must request approval from the Housing Authority of Skagit County to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
3. The family must promptly notify the Housing Authority of Skagit County if any family member no longer resides in the unit.
4. If the Housing Authority of Skagit County has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The Housing Authority of Skagit County has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the Housing Authority of Skagit County consent may be given or denied.
5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease or let the unit.
7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit

The family must supply any information or certification requested by the Housing Authority of Skagit County to verify that the family is living in the unit, or relating

to family absence from the unit, including any Housing Authority of Skagit County requested information or certification on the purposes of family absences. The family must cooperate with the Housing Authority for this purpose. The family must promptly notify the Housing Authority of Skagit County of its absence from the unit.

Absence means that no member of the family is residing in the unit. The family may be absent from the unit for up to 30 days. The family must request permission from the Housing Authority of Skagit County for absences exceeding 30 days. The Housing Authority of Skagit County will make a determination within 5 business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than 30 days without authorization will be terminated from the program.

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization
2. Absences beyond the control of the family (i.e., death in the family, other family member illness)
3. Other absences that are deemed necessary by the Housing Authority of Skagit County

I. Interest in the Unit

The family may not own or have any interest in the unit (except for owners of manufactured housing renting the manufactured home space).

J. Fraud and Other Program Violation

The members of the family must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

K. Crime by Family Members

The members of the family may not engage in drug-related criminal activity or violent criminal activity.

L. Other Housing Assistance

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) Federal, State or local housing assistance program.

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

Requirements for admission to Section 8: qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security Numbers, and signs consent authorization documents. Meet HASCs criminal history standards, not owe money to HASC or any other HAs, complete the application process and provide truthful and verifiable information about income and personal circumstances and cooperate with verification of application information. In addition to the eligibility criteria, families must also meet the Housing Authority of Skagit County screening criteria in order to be admitted to the Section 8 Program and qualify for a Residency Preference.

3.2 ELIGIBILITY CRITERIA

A. Family status.

The term family includes, but is not limited to the following regardless of actual or perceived sexual orientation, gender identity, or marital status:

A single person, who may be an elderly person, displaced person, disabled person, near elderly person; a single person may also be an eligible youth who has attained at least 18 years of age and not more than 24 years of age, has left foster care, or will leave foster care within 90 days, is homeless or is at risk of becoming homeless at age 16 or older; or any other single person or a group of persons residing together and such group includes, but is not limited to a **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship.

- a. Children temporarily absent from the home due to placement in foster care are considered family members.
- b. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

2. An **elderly family**, which is:

- a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
- b. Two or more persons who are at least 62 years of age living together; or
- c. One or more persons who are at least 62 years of age living with one or more live-in aides.

3. A **near-elderly family**, which is:

- a. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;
 - b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or
 - c. One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.
4. A **disabled family**, which is:
- a. A family whose head, spouse, or sole member is a person with disabilities;
 - b. Two or more persons with disabilities living together; or
 - c. One or more persons with disabilities living with one or more live-in aides.
5. A **displaced family** is a family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
6. A **remaining member of a tenant family**.
7. A foster adult is defined as a member of the household who is 18 years or older and meets the definition of foster adult under the state law. Generally, a foster adult is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgement, decree or other order of the court.
8. A foster child is defined as a member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court.

B. Income eligibility

1. HUD establishes income limits and publishes them annually in the *Federal Register*. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program, be a family that is:

An Extremely low income family: A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, as determined by HUD, whichever is higher.

Income-targeting: Not less than 75 percent of the families admitted to a PHA's HCV program during the PHA fiscal year from the PHA waiting list shall be extremely low income families. Annual income of such families shall be verified within the period described in paragraph (e) of this section.(ii) A PHA may admit a lower percent of extremely low income families during a PHA fiscal year (than otherwise required under paragraph (b)(2)(i) of this section) if HUD approves the use of such lower percent by the PHA, in accordance with the PHA plan, based on HUD's determination that the following circumstances necessitate use of such lower percent by the PHA:

A Very low income family;

A Low-income family that is “continuously assisted” under the 1937 Housing Act;

A low-income family that meets additional eligibility criteria specified in the HASC administrative plan. Such additional criteria must be consistent with the PHA plan and with the consolidated plans for local governments in the PHA jurisdiction;

2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.
3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which 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.
4. Families who are moving into the Housing Authority of Skagit County's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority must meet the income limit for the area where they were initially assisted under the program.
5. Families who are moving into the Housing Authority of Skagit County's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the Housing Authority program.
6. Income limit restrictions do not apply to families transferring units within the Skagit County Housing Authority Section 8 Program.

C. Citizenship/Eligible Immigrant status

To be eligible each member of the family must be a citizen, national, or a noncitizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 1436a(a)).

Family eligibility for assistance:

1. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.
2. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance (See Section 11.5(K) for calculating rents under the noncitizen rule).
3. A family without any eligible members and receiving assistance on June 19, 1995, may be eligible for temporary deferral of termination of assistance.

D. Social Security Number Documentation

All applicants and participants are required to disclose a Social Security Number.

- Individuals Exempt from disclosure:
 - Individuals who do not contend to have eligible immigration status
 - Tenants age 62+ as of 01/31/2010
 - Tenants who have previously disclosed a valid SSN

E. Signing Consent Forms

1. In order to be eligible each member of the family who is at least 18 years of age, shall sign one or more consent forms. A family member may choose to not sign consent or may choose to revoke consent. However, not providing consent or revoking consent will result in the denial of admission.
2. The consent form must contain, at a minimum, the following:
 - a. A provision authorizing HUD and the Housing Authority of Skagit County to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;
 - b. A provision authorizing HUD or the Housing Authority of Skagit County to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;
 - c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
 - d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

- e. The HUD 9886 consent form will remain effective until the family is denied assistance, the assistance is terminated, or the family revokes consent.

F. Suitability for tenancy

The Housing Authority of Skagit County determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides. The Housing Authority of Skagit County will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. In any case, the applicant will be denied admission, if, based on a criminal history, the applicant has committed a drug-related offense in the past five years, a felony in the past five years which has as one of its elements the use, attempted use or threatened use of physical force against the person or property of another, or repeated misdemeanors (2 or more) within the past five years involving physical force against a person such as assault or domestic violence. This check will be made through internet search programs and through direct requests from applicable agencies.

The Housing Authority of Skagit County will use the Dru Sjodin National Sex Offender database to screen applicants and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the Housing Authority of Skagit County will provide information regarding the family's current address, current landlord address, previous address, and previous landlord address, if available. Owners are encouraged to screen prospective tenants.

G. **Residency Preference**

Residency Preference applies to San Juan and Skagit Counties

1. Order of Preference.

A. Preference in the selection of families from the waiting list shall be granted to those otherwise eligible, in the following order:

- i. Residency Preference,
- ii. No Residency Preference

B. At the time of application the family is asked whether a **Residency Preference** is being claimed. The HASC retains applications in the order they are received without regard to whether the family has qualified for the Residency Preference until the family is about to receive assistance. At that time the family is given the opportunity to qualify. If the family does not qualify at that time, it may remain on the waiting list, but listed as having no preference.

2. Priority in Event of Identical Status.

- i. Selection from among families with a **Residency Preference** will be by date and time of application.

3. Residency Preference

- i. A residency preference is a preference for admission of persons who

- reside in either San Juan or Skagit County.
- ii. Residency - Current residents including families with a member who works or has been hired to work in either San Juan or Skagit County or an active participant in an education or training program in Skagit or San Juan County..
 - iii. There is no length of residency requirement.
 1. Proof of residency:
 - a. In order to verify that an applicant is a resident, the Housing Authority of Skagit County will require a minimum of 3 of the following documents bearing the applicant's local address:
 - i. Washington State Driver's License;
 - ii. Washington State ID (issued in lieu of a Driver's License);
 - iii. recent rent receipts;
 - iv. recent utility bills;
 - v. Voter Registration;
 - vi. mail from agencies such as DSHS, Social Security Administration, etc.; or
 - b. Statement from local employer; or
 - c. Letter from local education or training administrator.

4.0 MANAGING THE WAITING LIST

4.1 *OPENING AND CLOSING THE WAITING LIST*

Opening of the waiting list will be announced via public notice that applications for Section 8 will again be accepted. The public notice will state where, when, and how to apply. The notice will be published in a local newspaper of general circulation, and also by any available minority media. The public notice will state any limitations to who may apply.

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program, and that such applicants will not lose their place on other waiting lists when they apply for Section 8. The notice will include the Fair Housing logo and slogan and otherwise be in compliance with Fair Housing requirements.

Closing of the waiting list will be announced via public notice. The public notice will state the date the waiting list will be closed. The public notice will be published in a local newspaper of general circulation, and also by any available minority media.

4.2 *TAKING APPLICATIONS*

Families wishing to apply for the Section 8 Program will be required to complete an application for housing assistance. Applications will be accepted during regular business hours at:

Housing Authority of Skagit County
1650 Port Drive
Burlington, WA 98233

Applications are taken to compile a waiting list. Due to the demand for Section 8 assistance in the Skagit County Housing Authority jurisdictions, the Housing Authority of Skagit County may take applications on an open enrollment basis, depending on the length of the waiting list.

When the waiting list is open, completed applications will be accepted from all applicants. The Housing Authority of Skagit County will later verify the information in the applications relevant to the applicant's eligibility, admission, and level of benefit.

Applications may be made in person at the Housing Authority of Skagit County office, 1650 Port Drive Burlington, WA 98233 on Monday through Thursday from 9 a.m. to 4:00 p.m. and Friday from 9 a.m. to 1:00 p.m. Applications will be mailed to interested families upon request.

The completed application will be dated and time stamped upon its return to the Housing Authority of Skagit County.

Persons with disabilities who require a reasonable accommodation in completing an application may call the Skagit County Housing Authority to make special arrangements to complete their application.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide basic information including name, address, phone number, family composition and family unit size, racial or ethnic designation of the head of household, income category, and information establishing any preferences to which they may be entitled. This phase does not apply to the VASH program. The VASH program does not require a pre-application.

Upon receipt of the family's pre-application, the Housing Authority of Skagit County will make a preliminary determination of eligibility. The Housing Authority of Skagit County will notify the family in writing of the date and time of placement on the waiting list and the approximate amount of time before housing assistance may be offered. If the Housing Authority of Skagit County determines the family to be ineligible the notice will state the reasons therefore and offer the family the opportunity of an informal review of this determination.

An applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors. The Housing Authority of Skagit County will annotate the applicant's file and will update their place on the waiting list.

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. The Housing Authority of Skagit County will ensure that verification of all preferences, eligibility, suitability selection factors are current in order to determine the family's final eligibility for admission into the Section 8 Program.

4.3 ORGANIZATION OF THE WAITING LIST

The waiting list will be maintained in accordance with the following guidelines:

- A. The application will be a permanent file;
- B. All applications will be maintained in order of preference and then in order of date and time of application;
- C. Any contact between the Housing Authority of Skagit County and the applicant will be documented in the applicant file.

Note: The waiting list cannot be maintained by bedroom size under current HUD regulations.

4.4 FAMILIES NEARING THE TOP OF THE WAITING LIST

When a family appears to be within 1 month of being offered assistance, the family will be invited to an interview and the verification process will begin. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The Housing Authority of Skagit County must notify the family in writing of this determination and give the family the opportunity for an informal review.

4.5 MISSED APPOINTMENTS

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.

The Housing Authority of Skagit County will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the Housing Authority of Skagit County will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

4.6 PURGING THE WAITING LIST

The Housing Authority of Skagit County will update and purge its waiting list often enough to ensure that the pool of applicants at the top of the waiting list reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences.

If the Housing Authority of Skagit County determines that an applicant does not meet the criteria for receiving Section 8 assistance, the Housing Authority of Skagit County will promptly provide the applicant with written notice of the determination. The notice must

contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The Housing Authority of Skagit County will describe how to obtain the informal review. The informal review process is described in Section 16.2 of this Plan.

4.7 REMOVAL OF APPLICANTS FROM THE WAITING LIST

The Housing Authority of Skagit County will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program within fourteen (14) days of written notification or misses scheduled appointments; or
- C. The applicant does not meet either the eligibility or screening criteria for the program.

4.8 GROUNDS FOR DENIAL

The Housing Authority of Skagit County will deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;
- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process;
- E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or wellbeing of other tenants or staff, or cause damage to the property;
- F. Currently owe rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs or rent or other amounts in connection with any HASC owned housing;
- G. Have been referred to a debt collection agency for HASC debt (denied for life);
- H. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- I. Have a family member who was evicted from federally assisted housing within the last five (5) years;

- J. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- K. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The Housing Authority of Skagit County may waive this requirement if:
 - 1. The person demonstrates to the Housing Authority of Skagit County's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - 3. The person has otherwise been rehabilitated successfully; or
 - 4. The person is participating in a supervised drug or alcohol rehabilitation program.
- L. Have engaged in or threatened abusive or violent behavior towards any Housing Authority of Skagit County staff member or resident;
- M. Have a family household member who has been terminated under the Certificate or Voucher Program during the last three years;
- N. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
- O. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life);
- P. Are a welfare-to-work (WTW) family who fails to fulfill its obligations under the welfare-to-work voucher program.
- Q. Have ownership of net family assets that exceed \$100,000 (as adjusted for inflation) and/or ownership of disqualifying real property.
 - 1. A property will be considered suitable for occupancy unless the family demonstrates that the real property meets of the following conditions:
 - a. The property is not capable of meeting the disability-related needs of all members of the family.
 - b. The property is not a sufficient size for the family.
 - c. The property is geographically located so that it creates a hardship for the family. i.e. the distance or commuting time between the property and the family's place of work or school would place a hardship on the family, as determined by HASC. Distance or commute time are

examples of geographic hardships but not exhaustive of what constitutes a hardship.

4.9 NOTIFICATION OF NEGATIVE ACTIONS

Any applicant whose name is being removed from the waiting list will be notified by the Housing Authority of Skagit County, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The Housing Authority of Skagit County's system of removing applicants' names from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the Housing Authority of Skagit County will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the Housing Authority of Skagit County will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

4.10 INFORMAL REVIEW

5.0 SELECTING FAMILIES FROM THE WAITING LIST

5.1 WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS

The Housing Authority may admit an applicant for participation in the program either as a special admission, a referral or as a waiting list admission.

If HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the Housing Authority of Skagit County will use the assistance for those families.

5.1 ADMISSIONS

A. Referral Admissions

1. Veterans Affairs Supportive Housing (VASH)-HASC accepts referrals from the Veterans Affairs Case Manager and issues tenant or project-based vouchers to homeless veterans and their families, without regard to their position on the waiting list.
2. Emergency Housing Vouchers (EHV)-HASC accepts referrals from Community Action of Skagit County, Anacortes Family Center, Family Promise and DV-SAS and issues tenant-based vouchers to individuals and families without regard to their position on the waiting list.

- a. An MOU between Community Action of Skagit County, Anacortes Family Center, Family Promise and DV-SAS and HASC defines eligible referrals and lists the responsibilities and services provided by each agency.
- b. During the initial housing search, financial assistance is available to EHV households. Up to \$1300.00 can be accessed for:
 - Application and background check fees
 - Housing security deposits
 - Renter’s insurance, if required
 - Utility deposits, if required
- c. HASC may make incentive or retention payments to owners that agree to initially lease their unit to an EHV family and/or renew the lease of an EHV family.
- d. HASC will implement these HUD required EHV restrictions, compared to the standard HCV Program, for admission to the EHV Program:
 - Any household member has been convicted of drug-related criminal activity for manufacturing or producing methamphetamines on the premises of federally assisted housing or, if any household member is subject to a lifetime registration requirement under a State sex offender registration program or
 - if any household member has engaged in violent criminal activity which is defined as an offense which has one of its elements the use, attempted use or threatened use of physical force against the person or property of another during the past 12 months or other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.

B. Waiting List Admissions

- 1. One year Mainstream-The Housing Authority of Skagit County administers approximately 220 housing Choice Vouchers solely for the use of disabled persons under the age of 62 years. These vouchers are referred to as One-Year Mainstream Vouchers (also known as Non-Elderly disabled or NED Vouchers).
- 2. Family Vouchers-HASC issues tenant-based vouchers to families and elderly.
- 3. Foster Youth to Independence Vouchers (FYI)-HASC uses targeted funding to serve youth exiting foster care that are referred by the Department of Children, Youth and Families (DCYF).
 - a. An MOU between DCYF and HASC defines eligible youth, lists the supportive services that DCYF provides and, outlines HASC’s and DCYF responsibilities.

5.2 PREFERENCES

Consistent with the Housing Authority of Skagit County Agency Plan, the Housing Authority of Skagit County will select families based on the following preferences.

Domestic Violence Preference

Foster Youth to Independence (FYI)

Residency Preference

Residency Preference applies to San Juan and Skagit Counties

- Order of Preference.
 - Preference in the selection of families from the waiting list shall be granted to those otherwise eligible, in the following order:
 - A Residency Preference,
 - A Project Based victim of DV
 - No Residency Preference
 - At the time of application the family is asked whether a **Residency Preference** is being claimed. The HASC retains applications in the order they are received without regard to whether the family has qualified for the Residency Preference until the family is about to receive assistance. At that time the family is given the opportunity to qualify. If the family does not qualify at that time, it may remain on the waiting list, but listed as having no preference.
 - Priority in Event of Identical Status.
 - Selection from among families with a **Residency Preference** will be by date and time of application.
 - Residency Preference
 - A residency preference is a preference for admission of persons who reside in either San Juan or Skagit County.
 - Residency - Current residents including families with a member who works or has been hired to work in either San Juan or Skagit County or an active participant in an education or training program. There is no length of residency requirement.
 - Proof of residency:
 - Three of the following bearing the applicant's local address:
 - Washington State Driver's License;
 - Washington State ID (issued in lieu of a Driver's License);
 - recent rent receipts;
 - recent utility bills;
 - Voter Registration;
 - mail from agencies such as DSHS, Social Security Administration, etc.; or
 - Statement from local employer; or
 - Letter from local education or training administrator.

- Project Based victim of DV
 - A Project-Based Victim of DV preference is a preference for admission of persons who are participants in HASC’s Project-Based voucher program, have lived in their unit for less than one year and are victims of domestic violence, dating violence, sexual assault, and stalking and who are making an emergency transfer request.
- FYI Referral
 - A FYI referral preference is a preference for admission of persons who have been referred by DCYS, have left foster care (or will leave foster care in 90 days) is 18-24 years of age and is homeless or is at risk of becoming homeless at age 16 or older.

5.3 *SELECTION FROM THE WAITING LIST*

The date and time of application will be utilized to determine the sequence of selection from the waiting list.

Notwithstanding the above, if necessary to meet the statutory requirement that of newly admitted families in any fiscal year be families who are extremely low-income (unless a different target is agreed to by HUD), the Housing Authority of Skagit County retains the right to skip higher income families on the waiting to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

If there are not enough extremely low-income families on the waiting list, we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

6.0 **ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)**

A. To avoid overcrowding, Dwelling Units are to be leased in accordance with the Subsidy Standards set forth below.

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
1	1	3
2	2	5
3	4	7
4	5	9
5	7	11

1. For each family, the HASC determines the appropriate number of bedrooms

under the HASC subsidy standards (family unit size). The family unit size number is entered on the voucher issued to the family. No more than two persons shall be required to occupy a bedroom.

2. The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
3. Unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person will be a one-bedroom unit. An approved live-in-aide will be provided a separate bedroom. No additional bedrooms are provided for the live-in-aide's family members.
4. In determining family unit size for a particular family, the HASC may grant an exception to its established subsidy standards if the HASC determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. Possible considerations:
 - a. An infant under one (1) year of age may be expected to share the parent's bedroom.
 - b. A bedroom is expected to be shared by at least two (2) children. Children of separate genders regardless of age will be allocated separate bedrooms.
 - c. A separate bedroom will be provided for an elderly dependent residing with a younger family and persons of different generations will be allocated separate bedrooms (except domestic partners).
 - d. A separate bedroom will be provided for a family member upon documentation of the need for it by a physician or other qualified professional.

B. The family unit size, is used to determine the maximum rent subsidy for the family:

1. The payment standard for the family must be the lower of:
 - a. The payment standard for the family unit size;
 - b. The payment standard for the unit rented by the family or
 - c. The gross rent of the unit.

C. Size of unit occupied by family

1. The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.
2. The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size, except as listed above.

D. When unit is too big or too small. Terminating HAP contract.

1. Violation of HQS space standards.
 - a. If the HASC determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family

- composition, the HASC must issue the family a new voucher, and the family and HASC must try to find an acceptable unit as soon as possible.
- b. If an acceptable unit is available for rental by the family, the HASC must terminate the HAP contract in accordance with its terms.

The Housing Authority of Skagit County will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary. The medical reason must be verified by a medical professional and the verification must state the reason for the extra bedroom. If during the annual HQS inspection, it is found the bedroom is not used for the purpose stated, the exception will be rescinded and the appropriate payment standard without the exception will be applied.

The family unit size will be determined by the Housing Authority of Skagit County in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that may be larger or smaller than the family unit size. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate the subsidy. If the family selects a larger size, the payment standard for the family unit size will determine the maximum subsidy.

6.1 BRIEFING

When the Housing Authority of Skagit County selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the Housing Authority will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program or in an undue financial or administrative burden. In determining the most suitable auxiliary aid, the Housing Authority will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

- A. A description of how the program works;
- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
- D. Types of eligible housing;
- E. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;

- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
- G. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard.

6.2 PACKET

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

- A. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;
- B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
- C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- D. How the Housing Authority determines the maximum rent for an assisted unit;
- E. Where the family may lease a unit. The packet includes an explanation of how portability works;
- F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
- H. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses;
- I. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
- J. The HUD brochure on how to select a unit ("A Good Place to Live");
- K. The HUD-required lead-based paint brochure;
- L. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;

- M. A list of landlords or other parties known to the Housing Authority of Skagit County who may be willing to lease a unit to the family or help the family find a unit;
- N. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the Skagit County Housing Authority that may be available;
- O. The family's obligations under the program;
- P. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- Q. Housing Authority of Skagit County informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
- R. The Housing Authority of Skagit County owner information letter. This letter can be given by the applicant to a prospective owner to help explain the program.
- S. An explanation of the advantages of moving to an area that does not have a high concentration of low-income families.
- T. Information about the protections afforded by the Violence against Women Act of 2013 (VAWA) to victims of domestic violence, dating violence, sexual assault, and stalking

6.3 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY

Beginning October 1, 1999, the Housing Authority of Skagit County will issue only vouchers. Treatment of previously issued certificates and vouchers will be dealt with as outlined in Section 22.0 Transition to the New Housing Choice Voucher Program.

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the Housing Authority of Skagit County will issue the voucher. At this point the family begins their search for a unit.

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease, the HUD required tenancy addendum and the request for approval of the tenancy form. The terms of the HUD tenancy addendum shall prevail over any other provisions of the lease. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher. The Housing Authority will review the request, the lease, and the HUD required tenancy addendum and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15 day period is suspended during any period the unit is unavailable for

inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

During the initial stage of qualifying the unit, the Housing Authority will provide the prospective owner with information regarding the program. Information will include Housing Authority and owner responsibilities for screening and other essential program elements. The Housing Authority will provide the owner with the family's current and prior address as shown in the Housing Authority records along with the name and address (if known) of the landlords for those addresses. Additional screening is the responsibility of the owner.

6.4 TERM OF THE VOUCHER

The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher. The initial term of a VASH voucher will be 120 days.

- 1) The HASC may grant one or more extensions of the initial term if the family submits the voucher to the HASC with a request for an extension. The HASC will review with the family the efforts made to find a suitable unit and any problems encountered and shall determine what advice or assistance might be helpful. If the HASC believes that there is a reasonable possibility that the family may, with additional advice and assistance, find a suitable unit, the HASC may grant one (1) or more extensions. The term of the voucher may not exceed a total of 120 calendar days from the beginning of the initial term plus any suspension, and the term of a VASH voucher may not exceed a total of 180 calendar days from the beginning of the initial term plus any suspension, however, the HASC may grant additional extensions based upon *reasonable accommodation* in the case of a voucher holder with a disability.

Upon submittal of a completed request for approval of tenancy form, the Housing Authority of Skagit County will suspend the term of the voucher. The term will be in suspension until the date the Housing Authority provides notice that the request has been approved or denied. This policy allows families the full term to find a unit, not penalizing them for the period during which the Housing Authority is taking action on their request.

6.5 APPROVAL TO LEASE A UNIT

When housing assistance begins in the new unit is dependent on the day of the month the unit passes inspection.

- a) The Housing Authority of Skagit County will approve a lease if all of the following conditions are met:
 - A. The unit is eligible;
 - B. The unit is inspected by the Housing Authority and passes HQS;
 - C. The lease is approvable and includes the following:
 1. The names of the owner and the tenant;
 2. The address of the unit rented;

3. The term of the lease (initial term and any provisions for renewal);
 4. The amount of the monthly rent to owner;
 5. A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family;
 6. The required HUD tenancy addendum.
- D. The rent to owner is reasonable;
- E. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- F. The owner has not been found to **be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority**; and
- G. The family continues to meet all eligibility and screening criteria.

If tenancy approval is denied, the Housing Authority will advise the owner and the family in writing and advise them also of any actions they could take that would enable the Housing Authority to approve the tenancy.

b) The lease term may begin only after all of the following conditions are met:

- A. The unit passes the Housing Authority HQS inspection;
- B. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- C. The landlord and tenant sign the lease to include the HUD required addendum; and
- D. The Housing Authority approves the leasing of the unit.

The Housing Authority will prepare the contract when the unit is approved for tenancy. Generally, the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute the contract. Upon receipt of the executed lease and the signed contract by the landlord, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

In no case will the contract be executed later than 60 days after the beginning of the lease term.

Any contract executed after the 60-day period will be void and the Housing Authority will not pay housing assistance to the owner.

6.6 HOUSING AUTHORITY OF SKAGIT COUNTY DISAPPROVAL OF OWNER

The Housing Authority will deny participation by an owner at the direction of HUD. The Housing Authority will also deny the owner's participation for any of the following reasons:

- A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- D. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- E. The owner has a history or practice of renting units that fail to meet State or local codes;
- F. The owner has not paid State or local real estate taxes, fines, or assessments;
- G. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 1. premises by tenants, Housing Authority of Skagit County employees or owner employees; or
 - 2. residences by neighbors.
- H. If the owner is the parent, child, grandparent, grandchild, sister, or brother or any member of the family of an applicant seeking the initial use of a voucher (currently shopping) unless the Skagit County Housing Authority determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities; or
- I. Other conflicts of interest under Federal, State, or local law.

6.7 INELIGIBLE/ELIGIBLE HOUSING

- 1. The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:
 - A. A public housing or Indian housing unit;
 - B. A unit receiving project-based assistance under a Section 8 Program;
 - C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
 - D. College or other school dormitories;

- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
 - F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
 - G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.
2. The Housing Authority of Skagit County will not approve a lease for any of the following special housing types except as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities:
- A. Congregate housing
 - B. Group homes
 - C. Cooperative housing
 - D. Single room occupancy housing
 - E. Mobile Home Space Rentals
- c) The Housing Authority of Skagit County will approve leases for the following housing types:
- A. Single family dwellings
 - B. Apartments
 - C. Manufactured housing
 - D. Shared housing

6.8 SECURITY DEPOSIT

The owner may collect a security deposit from the tenant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

7.0 MOVES WITH CONTINUED ASSISTANCE

Participating families are allowed to move to another unit after the initial lease term has expired, if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The Housing Authority of Skagit County will issue the family a new voucher if the family does not owe the Housing Authority of Skagit County or any other Housing Authority money, has not violated a Family Obligation, and if the Housing Authority of Skagit County has sufficient funding for continued assistance.

The Housing Authority will deny a family permission to move on grounds that the Housing Authority does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the Housing Authority; (b) the Housing Authority can demonstrate that the move will in fact, result in higher subsidy costs; and (c) the Housing Authority can demonstrate that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs. This policy applies to moves within the Housing Authority's jurisdiction as well as to moves outside it under portability.

7.1 WHEN A FAMILY MAY MOVE

For families already participating in the Voucher Program, the Housing Authority of Skagit County will allow the family to move to a new unit if:

- A. The assisted lease for the old unit has terminated;
- B. The owner has given the tenant a notice to vacate.
- C. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).
- D. The Housing Authority allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency voucher transfer or splitting of the household voucher. The Housing Authority will follow an emergency voucher transfer plan:
 - (a) Determine eligibility
 - a. A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, is eligible for an emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. A tenant requesting an emergency transfer must expressly request the transfer in writing. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

(b) The Housing Authority will request the required documentation, in writing and the individual making the request is allowed 14 business days to submit the documentation. The Housing Authority, at its discretion, may extend the deadline for 10 business days. Any extension granted by the Housing Authority will be in writing. Required documentation is form HUD 5382 or third-party documentation such as:

1. A record of a Federal, State, tribal, territorial or local law enforcement agency (e.g. police), court, or administrative agency or
2. Documentation signed by the victim and signed by an employee, agent or volunteer of a victim service provider, an attorney, a medical professional, or a mental health profession from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, in which the professional attests under penalty of perjury that he or she believes that the incident of domestic violence is grounds for protection

d) The Housing Authority cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The Housing Authority will, however, act as quickly as possible to transfer or issue a voucher to a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit.

7.2 PROCEDURES REGARDING FAMILY MOVES

Families considering transferring to a new unit must contact the Housing Authority of Skagit County to review the procedures in advance of their move. All families who are moving, including any families moving into or out of the Housing Authority of Skagit County's jurisdiction, will be required to obtain approval prior to the Housing Authority of Skagit County entering a new HAP contract on their behalf.

Prior to the move, the Housing Authority of Skagit County will provide the following:

- A. Payment standards, exception payment standard rent areas, and the utility allowance schedule;
- B. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard;
- C. Portability requirements and opportunities if applicable;
- D. The need to have a reexamination conducted within 120 days prior to the move;
- E. An explanation and copies of the forms required to initiate and complete the move

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end

the lease or at the sole discretion of the Housing Authority, and with third party documentation which demonstrates special hardship situations. The Housing Authority of Skagit County will only make overlapping housing assistance payments (payment on the unit the family is moving out of and the unit the family is moving into) for a maximum of 15 days. If the family moves from the unit before the initial term of the lease ends without the owner's and the Housing Authority of Skagit County's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the Skagit County Housing Authority a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the Housing Authority of Skagit County will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

A family who gives notice to terminate the lease must mail the notice by certified mail or have the landlord or his agent sign a statement stating the date and time received. The family will be required to provide the certified mail receipt and a copy of the lease termination notice to the Housing Authority of Skagit County, or a copy of the lease termination notice and the signed statement stating the date and time the notice was received. If the landlord or his/her agent does not accept the certified mail receipt, the family will be required to provide the receipt and envelope showing that the attempt was made.

Failure to follow the above procedures may subject the family to termination from the program.

8.0 PORTABILITY

8.1 GENERAL POLICIES OF THE SKAGIT COUNTY HOUSING AUTHORITY

A family whose head or spouse has a domicile (legal residence) or works in the jurisdiction of the Housing Authority of Skagit County at the time the family first submits its application for participation in the program to the Housing Authority of Skagit County may lease a unit anywhere in the jurisdiction of the Skagit County Housing Authority or outside the Housing Authority of Skagit County jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

If the head or spouse of the assisted family does not have a legal residence or work in the jurisdiction of the Housing Authority of Skagit County at the time of its application, the family will not have any right to lease a unit outside of the Housing Authority of Skagit County jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may only lease a unit located in the jurisdiction of the Housing Authority of Skagit County.

Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the Housing Authority of Skagit County allow a participant to improperly break a lease. Under extraordinary circumstances

the Housing Authority of Skagit County may consider allowing more than one move in a 12-month period.

Families may only move to a jurisdiction where a Section 8 Program is being administered.

For income targeting purposes, the family will count towards the initial housing authority's goals unless the receiving housing authority absorbs the family. If absorbed, the admission will count towards the receiving housing authority's goals.

If a family has moved out of their assisted unit in violation of the lease, the Housing Authority of Skagit County will not issue a voucher and will terminate assistance in compliance with Section 17.0, Termination of the Lease and Contract.

8.2 INCOME ELIGIBILITY

- A. A family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.
- B. If a portable family is already a participant in the Initial Housing Authority's Voucher Program, income eligibility is not re-determined.

8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY

- A. When a family utilizes portability to move to an area outside the Initial Housing Authority jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.
- B. A Housing Authority with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such housing authority, the Initial Housing Authority may choose which housing authority shall become the Receiving Housing Authority.

8.4 PORTABILITY PROCEDURES

- A. When the Housing Authority of Skagit County is the Initial Housing Authority:
 - 1. The Housing Authority of Skagit County will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
 - 2. The Housing Authority of Skagit County will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
 - 3. Prior to approving a family's request to move under portability, Housing Authority of Skagit County must contact the receiving PHA via e-mail or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's

response, the Housing Authority of Skagit County must determine whether it will approve or deny the move.

4. The Housing Authority of Skagit County will advise the family how to contact and request assistance from the Receiving Housing Authority.
5. The Housing Authority of Skagit County will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, and related verification information and the HUD Form 52665 (Family Portability Information Form).

B. When the Housing Authority of Skagit County is the Receiving Housing Authority:

1. The Housing Authority of Skagit County will issue a voucher to the family. The term of the Housing Authority of Skagit County's voucher cannot expire before 30 calendar days from the expiration date of the initial PHA's voucher. The additional 30 days are required regardless of the term of the initial PHA's voucher. The Housing Authority of Skagit County will determine whether to extend the voucher term. The family must submit a request for tenancy approval to the Housing Authority of Skagit County during the term of the Housing Authority of Skagit County's voucher.
2. The Housing Authority of Skagit County will determine the family unit size for the portable family. The family unit size is determined in accordance with the Housing Authority of Skagit County's subsidy standards.
3. The Housing Authority of Skagit County will within ten (10) calendar days notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.
4. If the Housing Authority of Skagit County opts to conduct a new reexamination, the Housing Authority of Skagit County will not delay issuing the family a voucher or otherwise delay approval of a unit unless the recertification is necessary to determine income eligibility.
5. In order to provide tenant-based assistance for portable families, the Housing Authority of Skagit County will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or the Housing Authority of Skagit County may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.
6. The Housing Authority of Skagit County may deny or terminate assistance for family action or inaction in accordance with 24 CFR 982.552 and 24 CFR 982.553.

C. Absorption by the Housing Authority of Skagit County

1. If funding is available under the consolidated ACC for the Housing Authority of Skagit County's Voucher Program when the portable family is received, the Housing Authority of Skagit County will absorb the family into its Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for the Housing Authority of Skagit County's Tenant-Based Program.

D. Portability Billing

1. To cover assistance for a portable family, the Receiving Housing Authority may bill the Initial Housing Authority for housing assistance payments and administrative fees. The billing procedure will be as follows:
 - a. As the Initial Housing Authority, the Housing Authority of Skagit County will promptly reimburse the Receiving Housing Authority for the full amount of the housing assistance payments made by the Receiving Housing Authority for the portable family. The amount of the housing assistance payment for a portable family in the Receiving Housing Authority's program is determined in the same manner as for other families in the Receiving Housing Authority's program.
 - b. The Initial Housing Authority will promptly reimburse the Receiving Housing Authority for 80% of the Initial Housing Authority's ongoing administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Authority. If both Housing Authorities agree, we may negotiate a different amount of reimbursement.

E. When a Portable Family Moves

When a portable family moves out of the tenant-based program of a Receiving Housing Authority that has not absorbed the family, the Housing Authority in the new jurisdiction to which the family moves becomes the Receiving Housing Authority, and the first Receiving Housing Authority is no longer required to provide assistance for the family.

9.0 DETERMINATION OF FAMILY INCOME

9.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

To determine annual income, the Housing Authority of Skagit County counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, the Housing Authority of Skagit County subtracts all allowable deductions (allowances) as the next step in determining the Total Tenant Payment.

9.2 INCOME

- A. Annual income means all amounts, monetary or not, that:
1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
 2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 3. Are not specifically excluded from annual income.
- B. Annual income includes, but is not limited to:
1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services. Wages from Day Labor, Independent Contractors, and Seasonal Workers are counted as earned income.
 2. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family.
 3. Income earned from assets. HASC will determine each family's assets and anticipated income from assets at the time of admission and at annual and interim reviews.
 - i. Families can self-certify that their net family assets are equal to or less than \$50,000.
 - ii. When determining net family assets, HASC will provide the family with a description of non-necessary personal property and ask the family to estimate the total value of their non-necessary property. If the family estimates that their non-necessary property is valued under \$50,000 (as adjusted annually for inflation) then HASC will not ask the family to report the individual items of non-necessary personal property, except every third year when HASC is fully verifying all assets.
 - iii. After a family's assets of \$50,000 or less have been self-certified for two years in a row, HASC will fully verify net family assets and anticipated income earned from assets.
 - iv. Self-certification will resume until the third annual reexam following the most recent full verification. If net family assets are greater than \$50,000, assets will be fully verified.
 - v. If the family's non-necessary personal property has a net value over \$50,000, HASC will ask the family to report a full list of their non-necessary personal property. HASC will make a

determination as to each item identified, based on HUD guidance, and if the item is determined necessary, or excluded from net family assets, like a retirement account, educational savings account, etc. it will be excluded from the family's net assets.

4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
6. Welfare assistance.
 - a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
 - i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.
 - b. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.
 - c. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted.
7. Periodic and determinable allowances, such as alimony and child support

payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.

8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)
9. Any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, “financial assistance” does not include loan proceeds for the purpose of determining income.

STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9); Notice PIH 2015-21]

In 2005, Congress passed a law (for Section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

Student Financial Assistance Included in Annual Income [24 CFR 5.609(b)(9); FR 4/10/06; Notice PIH 2015-21]

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age **OR** they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition and any other required fees and charges received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

To determine annual income in accordance with the above requirements, the PHA will use the definitions of *dependent child*, *institution of higher education*, and *parents* in section 3-II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:

- *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.

- *Assistance from private sources* means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
- *Tuition and fees* are defined in the same manner in which the Department of Education defines *tuition and fees* [Notice PIH 2015-21].
 - This is the amount of tuition and required fees covering a full academic year most frequently charged to students.
 - The amount represents what a typical student would be charged and may not be the same for all students at an institution.
 - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.
 - Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).
 - Expenses related to attending an institution of higher education must **not** be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed-sum charges.

9.3 ***EXCLUSIONS FROM INCOME***

Annual income does not include the following:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- C. Lump sum additions to net family assets, including but not limited to lottery or other contest winnings, are excluded from annual income. The amounts may count toward net family assets.
- D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income from live-in aides, foster children and foster adults
- F. **Student Financial Assistance Excluded from Annual Income [24 CFR 5.609(c)(6)]**

Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance

- Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*
 - Students who are over 23 **AND** have at least one dependent child, as defined in section 3-II.E
 - Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
1. Amounts received under training programs funded by HUD;
 2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
 4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time;
 5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
 6. Temporary, nonrecurring, or sporadic income (including gifts) and as of March 2017, pursuant to PIH Notice 2017-05, temporary income payments from the U.S. Census Bureau, defined as employment lasting no longer than 180 days and not culminating in permanent employment, economic stimulus or recovery payments, state and federal tax returns, and in-kind donations.

7. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
9. Adoption assistance payments in excess of \$480 per adopted child;
10. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
11. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
13. Income earned on amounts placed in a FSS account.
14. Insurance payments and settlements for personal property losses, including but not limited to payments under health insurance, motor vehicle insurance, and worker's compensation. Worker's Compensation is always excluded regardless of the frequency or length of payments.
15. Amounts recovered in civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a person with disabilities. Any amounts recovered are excluded irrespective of whether they are received periodically or in a lump sum.
16. Payments to veterans in need of regular aid and attendance. This income exclusions only applies to "aid and assistance" to the veteran and not to other beneficiaries such as a surviving spouse. (VA Pension and VA Survivors Pensions are included in annual income).
17. Loan proceeds received by the family, or third party are excluded. The loan borrower or co-borrower must be a member of the family. Examples of such loans are car loans, student loans etc.
18. Achieving a Better Life Experience (ABLE) accounts; ABLE accounts are excluded from net family assets, income generated and distributions from these accounts are excluded.
19. Civil rights settlements or judgements, including settlements or judgements for back pay are excluded from the calculation of income.

14. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.

These exclusions include:

- a. The value of the allotment of food stamps
- b. Payments to volunteers under the Domestic Volunteer Services Act of 1973
- c. Payments received under the Alaska Native Claims Settlement Act
- d. Income from sub-marginal land of the U.S. that is held in trust for certain Indian tribes
- e. Payments made under HHS's Low-Income Energy Assistance Program
- f. Payments received under the Job Training Partnership Act
- g. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- h. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- i. Amount of scholarships awarded under Title IV including Work-Study
- j. Payments received under the Older Americans Act of 1965
- k. Payments from Agent Orange Settlement
- l. Payments received under the Maine Indian Claims Act
- m. The value of childcare under the Child Care and Development Block Grant Act of 1990
- n. Earned income tax credit refund payments
- o. Payments for living expenses under the AmeriCorps Program

9.4 DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

- A. \$480 (adjusted annually for inflation) for each dependent
- B. \$525 (adjusted annually for inflation) for any elderly family or disabled family

- C. The sum of unreimbursed health and medical care and reasonable attendant care and auxiliary expenses that exceed 10% of the family's annual income can be deducted from annual income. There are two types of hardship exemptions to the 10% threshold for deducting unreimbursed health and medical care expenses (for elderly and disabled families) and reasonable attendant care and auxiliary apparatus expenses (for families that include a person with disabilities).
- (a) Phased-In Relief-All families who received deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income examination, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first, after the implementation of HOTMA.
 - (i) Families who receive this phased-in relief will have eligible expenses deducted as follows:
 - a. 1st twelve months-in excess of 5% of annual income.
 - b. 2nd twelve months-in excess of 7.5% of annual income.
 - c. After 24 months-in excess of 10% threshold will phase in and remain in effect unless the family qualifies for general hardship relief. Once a family chooses to obtain General Relief, a family may no longer receive the phased-in relief.
 - (b) General Relief-a family must demonstrate that their applicable expenses increased, or they experienced a change in circumstance that resulted in a financial hardship, as defined below, that would not otherwise trigger an interim reexamination. This relief is available regardless of whether the family previously received health and medical deductions or is currently receiving, or previously received, a phased-in hardship exemption.
 - (i) A change in circumstance includes the need for new, qualifying, health/medical, reasonable attendant care and auxiliary apparatus expenses or an increase in the cost of qualifying expenses so that the qualifying expenses exceed 5% of the family's annual income.
 - (ii) Financial hardship may include a family waiting for an eligibility determination for a federal, state or local assistance program such as unemployment compensation or disability benefits, the family's income decreased because of a loss of employment, death of a family member, or newly incurred medical expenses that exceed 40% of the family's adjusted income or, a pay or vacate notice, or circumstances as determined by HASC. HASC must obtain third party verification of the family's financial hardship (inability to pay rent) or, document why third party verification is not available. HASC must attempt to obtain third party verification prior to the end of the 90-day period.
 - (iii)The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after 90 days, whichever come earlier.
 - (iv)If the family wishes to request a successive 90-day period for the exemption, they must make the request within 10 days of the end of the current eligibility period and must demonstrate to HASC why an additional period of exemption is necessary. If HASC determines that the expense giving rise to the hardship exemption will not end within 90 days, HASC may grant one or more 90-day extensions.

(v) Families must notify HASC if the hardship exemption is no longer necessary.

E. Childcare expenses:

Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or the further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

- (a) A family whose eligibility for the child-care deduction is ending may request a hardship exemption to continue receiving a child-care expense deduction.
- (b) The family must demonstrate financial hardship as defined above, C (b)(ii) (General Relief) and the child-care expense is still needed even though the family member is no longer working, looking for work, or furthering their education and HASC must verify the hardship via third party or document why third party verification is not available.
- (c) If approved, the hardship exemption will remain in place for 90 days.
- (d) The hardship exemption may be extended for additional 90 day periods based on family circumstances.

9.5 INCOME CALCULATION ERRORS

HASC is required to reimburse families for overpayment of the total family share. Such reimbursement of the tenant portion of the rent will be made in current and future months through an increase in HAP to the landlord and a decrease in the family rent until the family's overpayment is fully compensated.

10.0 VERIFICATION

The Housing Authority of Skagit County will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full-time student status of family members 18 years of age and older, Social Security Numbers, citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

10.1 ACCEPTABLE METHODS OF VERIFICATION

Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

The Verification Hierarchy: The Housing Authority of Skagit County begins with the highest level of verification techniques.

The Housing Authority of Skagit County will access the Enterprise Income Verification (EIV) System. EIV's Web-based provides the Housing Authority with employment , wage, unemployment compensation and social security benefit information. The Housing Authority will obtain an Income Report for each household. The HA will maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all mandatory annual reexaminations of family income and composition.

If the Income Report does not contain any employment and income information for the family, the HA will attempt the next lower level verification technique, as noted in the below chart.

Level	Verification Technique	Ranking
6	Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written third Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute)
3	Written Third Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	Oral Third Party Verification	Low (Mandatory if written third party verification is not available)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third party verification)

Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

Other information will be verified by third party verification. This type of verification includes written documentation (with forms sent directly to and received directly from a source, not passed through the hands of the family). This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from the Housing Authority of Skagit County or automatically by another government agency, i.e., the Social Security Administration. Verification forms and reports received will be contained in the applicant/tenant file. Oral third party documentation will include the same information as if the documentation had been written, i.e., name date of contact, amount received, etc.

When neither third party verification nor hand-carried verification can be obtained, the Housing Authority of Skagit County will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the file.

10.2 TYPES OF VERIFICATION

The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, the Housing Authority of Skagit County will send a request form to the source along with a release form signed by the applicant/participant via first class mail.

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
General Eligibility Items		
Social Security Number	printout from Social Security, electronic reports	Social Security card
Citizenship	N/A	Signed certification, U.S. passport, resident alien card, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Printout from medical professional, SSI, etc	Proof of SSI or Social Security disability payments
Full time student status (if >18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A

Child care costs	printout from care provider	Bills and receipts
Disability assistance expenses	printout from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	printout from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Value of and Income from Assets		
Savings, checking accounts	printout from institution for account balances of \$2000 or more.	Passbook, most current statements
CDs, bonds, etc	printout from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	printout from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	printout from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	printout from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence

Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers' comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating <ul style="list-style-type: none"> - whether enrolled - whether training is HUD-funded - whether State or local program - whether it is employment training - whether payments are for out-of-pocket expenses incurred in order to participate in a program 	N/A

Income

Earned income
Periodic payments (i.e., social security, welfare,
Unemployment Benefits

Level	Verification Technique	Ranking
6	Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written third Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute)
3	Written Third Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)

2	Oral Third Party Verification	Low (Mandatory if written third party verification is not available)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third party verification)

Definitions of Verification

Upfront Income Verification (UIV) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

Written Third Party Verification (Level 4): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents.

Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

Written Third Party Verification Form (Level 3): Also, known as traditional third party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). PHAs send the form directly to the third party source by mail, fax, or email.

Oral Third Party Verification (Level 2): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit

Non-Third Party Verification Technique

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA.

10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS

The citizenship/eligible noncitizen status of each family member regardless of age must be determined.

Prior to being admitted, or at the first reexamination, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as birth certificate, military ID or military DD 214 Form.)

Prior to being admitted or at the first reexamination, all eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted or at the first reexamination, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. The Housing Authority of Skagit County will make a copy of the individual's INS documentation and place the copy in the file. The Housing Authority of Skagit County also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the Housing Authority of Skagit County will mail information to the INS so a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of the household.

Noncitizen students on student visas, though in the country legally, are not eligible to be admitted to the Section 8 Program.

Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.

If no family member is determined to be eligible under this Section, the family's admission will be denied.

The family's assistance will not be denied, delayed, reduced or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

If the Housing Authority of Skagit County determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.

10.4 VERIFICATION OF SOCIAL SECURITY NUMBERS

All applicants and participants are required to disclose a Social Security Number (SSN). Individuals exempt from disclosure are individuals who do not contend to have eligible immigration status, tenants age 62 and over as of January 31, 2010, and tenants who have previously disclosed a valid SSN.

The best verification of the Social Security Number is the original Social Security card issued by the Social Security Administration (SSA). If the card is not available, the Housing Authority of Skagit County will accept an original document issued by a Federal Government Agency (e.g. SSA, IRS, etc.) or a State Government Agency (e.g. Unemployment office, Dept. of Social Services, Child Support office, etc). The document must contain the SSN of the individual, along with other identifying information such as name, address, date of birth, etc. The Housing Authority will not need to re-verify previously disclosed valid SSNs.

Applicants are required to disclose his/her SSN. If a member of the family is unable to provide a Social Security card, HASC will accept a self-certification of the SSN with a third-party document showing the applicant's name and SSN printed on it to satisfy the SSN

disclosure requirement. If the SSN is not verified in EIV, then HASC must receive a SS card issued by the Social Security Administration or an original document issued by a state or federal government agency that contains the name and SSN of the individual. The family's assistance will be terminated if they fail to provide the required documentation.

Individuals who state they do not have a SSN assigned by the SSA, will be required to sign a statement to this effect under penalties of perjury. The Housing Authority will maintain the declaration in the tenant file.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

Addition of new household members under the age of 6 and no assigned SSN will be included as part of the household and entitled to benefits. The head of household (HOH) will be provided 90 days to provide documentation of the SSN. The time frame may be extended an additional 90 days if unforeseen circumstances beyond the control of the HOH prevent timely disclosure of documentation.

Addition of new household members at least 6 years of age or under the age of 6 and has assigned SSN must disclose the SSN and provide documentation of the SSN at the time of the request to add new member. The new member cannot be added to the family composition until the family has complied with the SSN disclosure and verification requirements.

Individuals lawfully present in the U.S. who indicate they do not have evidence of assigned SSN will be referred to the local SSA office to request an original or replacement SSN card.

10.5 TIMING OF VERIFICATION

Verification must be dated within sixty (60) days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update only those elements reported to have changed.

10.6 FREQUENCY OF OBTAINING VERIFICATION

For each family member, citizenship/eligible noncitizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

11.0 RENT AND HOUSING ASSISTANCE PAYMENT

11.1 GENERAL

After October 1, 1999, the Housing Authority of Skagit County will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability. Certificates currently held will continue to be honored until the transition of the merger of the Section 8

Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete (see Section 22.0 for additional guidance).

11.2 RENT REASONABLENESS

The Housing Authority will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

- A. Before any increase in rent to owner is approved;
- B. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and
- C. If the Housing Authority or HUD directs that reasonableness be re-determined.

11.3 COMPARABILITY

In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.

The Housing Authority will maintain current survey information on rental units in the jurisdiction. The Housing Authority will also obtain from landlord associations and management firms the value of the array of amenities.

Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable the Housing Authority to establish a higher value.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

11.4 MAXIMUM SUBSIDY

The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the Housing Authority of Skagit County and approved by HUD) determines the maximum subsidy for a family.

For a regular tenancy under the Certificate Program, the FMR/exception rent limit is the maximum initial gross rent under the assisted lease. This only applies until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete.

For the Voucher Program, the minimum payment standard will be 90% of the FMR and the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

For a voucher tenancy in an insured or noninsured 236 project, a 515 project of the Rural Development Administration, or a Section 221(d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

11.4.1 Setting the Payment Standard

The Statute requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR without HUD's prior approval. The Housing Authority of Skagit County will review its determination of the payment standard annually after publication of the FMRs. The Housing Authority of Skagit County will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships. Payment standards will not be raised solely to allow the renting of luxury quality units.

If success levels are projected to be extremely high and rents are projected to be at or below 30% of income, the Housing Authority will reduce the payment standard. Payment standards for each bedroom size are evaluated separately so that the payment standard for one bedroom size may increase or decrease while another remains unchanged. The Housing Authority of Skagit County may consider adjusting payment standards at times other than the annual review when circumstances warrant.

Before increasing any payment standard, the Housing Authority will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

11.4.2 Selecting the Correct Payment Standard for a Family

- A. For the voucher tenancy, the payment standard for a family is the lower of:
 - 1. The payment standard for the family unit size; or
 - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in an exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or

2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

Exception payment standards for providing reasonable accommodations

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size. The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount exceeds 120 percent of the FMR. A family that requires a reasonable accommodation may request a higher payment standard at the time of the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, the PHA must determine that:

- A rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;
- The family requested lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and
- The unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

Background: Under the preceding regulations, a PHA had to request a waiver from a HUD Field Office for an exception payment standard above 110 percent of the FMR, consuming considerable administrative time and resulting in delays that, in some cases, caused families to miss out on desired units. Under this provision, a PHA may approve a payment standard of not more than 120 percent of the FMR without HUD approval if required as a reasonable accommodation for a family that includes a person with disabilities.

11.4.3 Area Exception Rents

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, the Housing Authority may request that HUD approve an exception payment standard rent for certain areas within its

jurisdiction. The areas may be of any size, though generally not smaller than a census tract. The Housing Authority may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types. The exception payment standard area(s) may not contain more than 50% of the population of the FMR area.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time as the Housing Authority requests and HUD approves a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

11.5 ASSISTANCE AND RENT FORMULAS

A. Total Tenant Payment

The total tenant payment is equal to the highest of:

1. 10% of monthly income
2. 30% of adjusted monthly income
3. Minimum rent
4. The welfare rent

Plus any rent above the payment standard.

B. Minimum Rent.

The Housing Authority of Skagit County has set the minimum rent as \$50. However, if the family requests a hardship exemption, the Housing Authority of Skagit County will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the Housing Authority can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

1. A hardship exists in the following circumstances:
 - a. When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;
 - b. When the family would be evicted as a result of the imposition of the minimum rent requirement;
 - c. When the income of the family has decreased because of changed circumstances, including loss of employment;

- d. When the family has an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
 - e. When a death has occurred in the family.
2. No hardship. If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to the Housing Authority for the time of suspension.
 3. Temporary hardship. If the Housing Authority determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The Housing Authority will offer a reasonable repayment agreement for any minimum rent back payment paid by the Housing Authority on the family's behalf during the period of suspension.
 4. Long-term hardship. If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.
 5. Appeals. The family may use the informal hearing procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be required in order to access the informal hearing procedures.

C. Section 8 Merged Vouchers

1. The payment standard is set by the Housing Authority between 90% and 110% of the FMR or higher or lower with HUD approval.
2. The participant pays the greater of the Total Tenant Payment or the minimum rent, plus the amount by which the gross rent exceeds the payment standard.
2. No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income if the gross rent exceeds the applicable payment standard.

D. Section 8 Preservation Vouchers

1. Payment Standard
 - a. The payment standard is the lower of:
 - i. The payment standard amount for the appropriate family unit size; or

- ii. The payment standard amount for the size of the dwelling unit actually rented by the family.
 - b. If the dwelling unit is located in an exception area, the Housing Authority of Skagit County will use the appropriate payment standard for the exception area.
 - c. During the HAP contract term, the payment standard for the family is the higher of :
 - i. The initial payment standard (at the beginning of the HAP contract term), as determined in accordance with paragraph (1)(a) or (1)(b) of this section, minus any amount by which the initial rent to the owner exceeds the current rent to the owner; or
 - ii. The payment standard as determined in accordance with paragraph (1)(a) or (1)(b) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
 - d. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:
 - i. Paragraph (c)(i) of this section does not apply; and
 - ii. The new family unit size must be used to determine the payment standard.
- 1. The Housing Authority of Skagit County will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:
 - a. The payment standard minus the total tenant payment; or
 - b. The gross rent minus the total tenant payment.

E. Manufactured Home Space Rental: Section 8 Vouchers

- 1. The payment standard used by HASC to calculate the HAP for manufactured home space rent is the same payment standard used for a rental unit of the same bedroom size under HASCs HCV Program, which is based on the HUD FMR for the area.

2. The space rent is the sum of the following as determined by the Housing Authority:
 - a. Rent to the owner for the manufactured home space;
 - b. Owner maintenance and management charges for the space; and
 - c. Utility allowance for tenant paid utilities.
3. The participant pays the rent to owner less the HAP.
4. HAP equals the lesser of:
 - a. The payment standard minus the total tenant payment; or
 - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

F. Rent for Families under the Noncitizen Rule

A mixed family will be eligible for prorated assistance.

A mixed family will receive full continuation of assistance if all of the following conditions are met:

1. The family was receiving assistance on June 19, 1995;
2. The family was granted continuation of assistance before November 29, 1996;
3. The family's head or spouse has eligible immigration status; and
4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. The Housing Authority of Skagit County will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the Housing Authority of Skagit County will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

- G. The family's assistance is prorated in the following manner:
1. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.
 2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).
 3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

11.6 UTILITY ALLOWANCE

The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as a whole and current utility rates.

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the Executive Director.

The utility allowance for a family shall be the **lower** of:

- The utility allowance amount for the family voucher size or,
- The utility allowance amount for the unit size of the unit rented by the family

At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by a family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner.

The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

11.8 CHANGE OF OWNERSHIP

The Housing Authority of Skagit County requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the Housing Authority of Skagit County's rent payment or the address as to where the rent payment should be sent.

In addition, the Housing Authority of Skagit County requires a written request from the new owner to process a change of ownership. The following documents must accompany the written request:

- A. Deed of Trust showing the transfer of title; and
- B. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9. The Housing Authority of Skagit County may withhold the rent payment until the taxpayer identification number is received.

11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the Housing Authority of Skagit County a late payment, agreed to in the Contract and in accordance with generally accepted practices in the Skagit County jurisdiction if the following conditions apply:

- A. It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
- B. The owner also charges such penalties against the tenant for late payment of family rent to the owner.

Late charges will not be paid when the reason for the lateness is attributable to factors beyond the control of the Housing Authority of Skagit County.

12.0 INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS

The Housing Authority of Skagit County will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Assisted units will be inspected not less than biennially.

The Housing Authority of Skagit County must be allowed to inspect the dwelling unit at least annually and at reasonable times with reasonable notice. The family and owner will be

notified at least one month in advance of the inspection due date. The notice will require the family to contact the Housing Authority and schedule the annual inspection appointment.

If the family fails to meet the inspector at the scheduled appointment, or fails to contact the Housing Authority to schedule an appointment within two weeks of the inspection due date, the Housing Authority will schedule the inspection appointment and notify the family of the date and time of the appointment by first class mail. If the family misses two inspection appointments the Housing Authority will consider the family to be in violation of a Family Obligation and their assistance will be terminated.

12.1 TYPES OF INSPECTIONS

There are seven types of inspections the Housing Authority of Skagit County will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
- B. Annual Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Interim Inspections – If a family or government official notifies the Housing Authority of a units failure to comply with the Housing Quality Standards of the program the Housing Authority will inspect the unit. The Housing Authority will first determine whether the family or the owner is aware of the repairs needed and whether the issue(s) has been addressed. If the Housing Authority determines that an inspection is warranted one will be scheduled. If the family is reporting a non-life-threatening complaint they will need to first notify the landlord in writing and send a copy to the Housing Authority. After 10 days if there is no response the tenant must contact the Housing Authority in writing of the lack of response by the owner. The Housing Authority will inspect the unit within 15 days for reports of non-life-threatening conditions. The Housing Authority will inspect the unit within 24 hours of the notification for reports of emergency or life-threatening conditions.
- D. Special Inspection - An inspection caused by a third party, i.e., HUD, needing to view the unit.
- F. Move-Out Inspection (if applicable) - An inspection required for units in service before October 2, 1995, and optional after that date. These inspections document the condition of the unit at the time of the move-out.
- G. Quality Control Inspection – Conducted by a supervisor or other qualified person to ascertain that each inspector is conducting accurate and complete inspections. The number of quality control inspections shall be determined by HUD SEMAP requirements.
- H. Biennial Inspections – Some units may qualify to be inspected every two years rather than annually. Units are eligible to be inspected on a biennial schedule if the unit passes the annual inspection with inspections beginning July 1, 2013. Units built before 1978 where there are children under the age of 6 will not qualify for a biennial inspection. Initial move-in inspections do not qualify for a biennial schedule until

after the first annual inspection passes. If a unit does not pass a biennial inspection the unit will be placed on the annual inspection schedule. If a unit fails an interim, a special, emergency or quality control inspection the unit will be placed back on the annual inspection schedule. The Housing Authority has the option to conduct inspections at its discretion.

12.2 OWNER AND FAMILY RESPONSIBILITY

A. Owner Responsibility for HQS

1. The owner must maintain the unit in accordance with HQS.
2. If the owner fails to maintain the dwelling unit in accordance with HQS, the Housing Authority of Skagit County will take prompt and vigorous action to enforce the owner obligations. The Housing Authority of Skagit County's remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.
3. The Housing Authority of Skagit County will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the Housing Authority of Skagit County and the Housing Authority of Skagit County verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any Housing Authority of Skagit County approved extension).
4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the Housing Authority of Skagit County may terminate assistance to a family because of the HQS breach caused by the family.

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:
 - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant;
or
 - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).

2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any Skagit County Housing Authority approved extension).
3. If the family has caused a breach of the HQS, the Housing Authority of Skagit County will take prompt and vigorous action to enforce the family obligations. The Housing Authority of Skagit County may terminate assistance for the family in accordance with 24 CFR 982.552.

12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

A. Sanitary Facilities

1. Performance Requirement

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

2. Acceptability Criteria

- a. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.
- b. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.
- c. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.
- d. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food Preparation and Refuse Disposal

1. Performance Requirements

- a. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.
- b. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

2. Acceptability Criteria

- a. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.
- b. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.
- c. The dwelling unit must have space for the storage, preparation, and serving of food.
- d. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

C. Space and Security

1. Performance Requirement

The dwelling unit must provide adequate space and security for the family.

2. Acceptability Criteria

- a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.
- b. The dwelling unit must have at least one bedroom or living/ sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.
- c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.
- d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

1. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

2. Acceptability Criteria

- a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.
- b. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and Electricity

1. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

2. Acceptability Criteria

- a. There must be at least one window in the living room and in each sleeping room.
- b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.
- c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement

The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

2. Acceptability Criteria

- a. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.
- b. The roof must be structurally sound and weather tight.
- c. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.
- d. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.
- e. Elevators must be working and safe.

G. Interior Air Quality

1. Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

2. Acceptability Criteria

- a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.
- b. There must be adequate air circulation in the dwelling unit.
- c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.
- d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirement

The water supply must be free from contamination.

2. Acceptability Criteria

The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-based Paint

1. Definitions

- a. Chewable surface: Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.
- b. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.
- c. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.
- d. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.
- e. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.
- f. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm^2), or 0.5 % by weight or 5000 parts per million (PPM).

2. Performance Requirements

- a. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.
- b. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be

free of lead-based paint, or units designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.

- c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part) must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.
- d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.
- e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.
- f. The requirements in this paragraph apply to:
 - i. All painted interior surfaces within the unit (including ceilings but excluding furniture);
 - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.

- h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.
- i. The requirements in paragraph g of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:
 - i. Within the unit;
 - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- j. In lieu of the procedures set forth in paragraph g of this Section, the Housing Authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.
- k. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:
 - i. A defective paint surface shall be treated if the total area of defective paint on a component is:
 - (1) More than 10 square feet on an exterior wall;
 - (2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;
 - (3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.

- ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydroblasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.
- iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydroblasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.
- iv. During exterior treatment soil and playground equipment must be protected from contamination.
- v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.
- vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.
- l. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.
- m. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.
- n. The Housing Authority must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority must complete a risk assessment of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The risk assessment

must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. If the unit has lead-based paint, the Housing Authority must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a voucher to move.

Within 30 days after receiving the risk assessment report from the Housing Authority, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the Housing Authority will take action in accordance with Section 8-II.G.

- o. The Housing Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Housing Authority must keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.
- p. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

J. Access

1. Performance Requirement

The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood

1. Performance Requirement

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

2. Acceptability Criteria

The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary Condition

1. Performance Requirement

The dwelling unit and its equipment must be in sanitary condition.

2. Acceptability Criteria

The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke Detectors and Carbon Monoxide Alarms

1. Performance Requirements

a. Except as provided in paragraph b below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

b. For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992 (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

CO alarm installation requirements:

In accordance with the Housing Assistance Payment (HAP) contract, the owner must maintain the contract unit and premises in accordance with the Housing Quality Standards (HQS) requirements and therefore the unit must be in compliance with the State Law requiring Carbon Monoxide alarms.

1. Alarms must be located outside of each separate sleeping area, in the immediate vicinity of the bedroom and on each level of the residence.
2. Single station carbon monoxide alarms must be listed as complying with UL 2034, and installed in accordance with the code and the manufacturer's instructions.
3. Combined CO and smoke alarms are permitted.

12.5 TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS

A. Initial Inspections [FR Notice 1/18/17]

The unit must pass the HQS inspection on or before the effective date of the HAP contract.

The Housing Authority will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing a HAP contract with the owner.

The Housing Authority will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Correcting Initial HQS Fail Items

The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS, the owner and the participant will be advised to notify the Housing Authority of Skagit County to schedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

B. HQS Fail Items for Units under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item in Section 12.6), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the Housing Authority of Skagit County will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3).

If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the Housing Authority of Skagit County will terminate assistance for the family in accordance with Sections 12.2(B) and 17.0(B)(3).

C. Time Frames for Corrections

1. Emergency repair items must be abated within 24 hours.
2. For all other repairs, the owner will have up to 30 days to complete.

D. Extensions

At the sole discretion of the Housing Authority of Skagit County, extensions of up to 2 weeks may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 30 days after the initial inspection date, the Housing Authority of Skagit County will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

12.6 EMERGENCY FAIL ITEMS

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

- A. No hot or cold water
- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak
- F. Broken lock(s) on first floor doors or windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit

- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety
- M. Inoperable/missing smoke detector and /or CO alarm

12.7 ABATEMENT

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated.

If the corrections of deficiencies are not made within the timeframe, the abatement will continue until the HAP contract is terminated. When the deficiencies are corrected, the Housing Authority of Skagit County will end the abatement the day the unit passes inspection. Rent will resume the following day and any rent due will be paid within ten (10) business days.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, the Housing Authority of Skagit County will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

13.0 OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S ENSUING RESPONSIBILITIES

This Section only applies to HAP contracts in effect before October 2, 1995. Certificates have a provision for damages, unpaid rent, and vacancy loss. Vouchers have a provision for damages and unpaid rent. No vacancy loss is paid on vouchers. No Damage Claims will be processed unless the Housing Authority of Skagit County has performed a move-out inspection. Either the tenant or the owner can request the move-out inspection. Ultimately, it is the owner's responsibility to request the move-out inspection if he/she believes there may be a claim.

Damage claims are limited in the following manner:

- A. In the Certificate Program, owners are allowed to claim up to two (2) months contract rent minus greater of the security deposit collected or the security deposit that should have been collected under the lease.
- B. In the Voucher Program, owners are allowed to claim up to one (1) month contract rent minus greater of the security deposit collected or the security deposit that should have been collected under the lease. There will be no payment for vacancy losses under the Voucher Program.

- C. No damage claims will be paid under either program effective on or after October 2, 1995.

13.1 OWNER CLAIMS FOR PRE-OCTOBER 2, 1995, UNITS

In accordance with the HAP contract, owners can make special claims for damages, unpaid rent, and vacancy loss (vacancy loss can not be claimed for vouchers) after the tenant has vacated or a proper eviction proceeding has been conducted.

Owner claims for damages, unpaid rent, and vacancy loss are reviewed for accuracy and completeness. Claims are then compared to the move-in and move-out inspections to determine if an actual claim is warranted. No claim will be paid for normal wear and tear. Unpaid utility bills are not an eligible claim item.

The Housing Authority of Skagit County will make payments to owners for approved claims. It should be noted that the tenant is ultimately responsible for any damages, unpaid rent, and vacancy loss paid to the owner and will be held responsible to repay the Housing Authority of Skagit County to remain eligible for the Section 8 Program.

Actual bills and receipts for repairs, materials, and labor must support claims for damages. The Housing Authority of Skagit County will develop a list of reasonable costs and charges for items routinely included on damage claims. This list will be used as a guide.

Owners can claim unpaid rent owned by the tenant up to the date of HAP termination.

In the Certificate Program, owners can claim for a vacancy loss as outlined in the HAP contract. In order to claim a vacancy loss, the owner must notify the Housing Authority of Skagit County immediately upon learning of the vacancy or suspected vacancy. The owner must make a good faith effort to rent the unit as quickly as possible to another renter.

All claims and supporting documentation under this Section must be submitted to the Housing Authority of Skagit County within thirty (30) days of the move-out inspection. Any reimbursement shall be applied first towards any unpaid rent. No reimbursement may be claimed for unpaid rent for the period after the family vacates.

13.2 PARTICIPANT RESPONSIBILITIES

If a damage claim or unpaid rent claim has been paid to an owner, the participant is responsible for repaying the amount to the Housing Authority of Skagit County. This shall be done by either paying the full amount due immediately upon the Housing Authority of Skagit County requesting it or through a Repayment Agreement that is approved by the Housing Authority of Skagit County.

If the participant is not current on any Repayment Agreements or has unpaid claims on more than one unit, the participant shall be terminated from the program. The participant retains the right to request an informal hearing.

14.0 RECERTIFICATION

CHANGES IN LEASE OR RENT

If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give the Housing Authority of Skagit County a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan.

Owners must notify the Housing Authority of Skagit County of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. Any such changes are subject to the Housing Authority of Skagit County determining them to be reasonable.

Assistance shall not be continued unless the Housing Authority of Skagit County has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

- A. Requirements governing participant or owner responsibilities for utilities or appliances;
- B. In the lease terms governing the term of the lease;
- C. If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of the Housing Authority of Skagit County is not required for changes other than those specified in A, B, or C above.

14.1 ANNUAL REEXAMINATION

At least annually the Housing Authority of Skagit County will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

The Housing Authority of Skagit County will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. The letter includes forms for the family to complete in preparation for the interview. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms.

Upon receipt of verification, the Housing Authority of Skagit County will determine the family's annual income and will calculate their family share.

14.1.1 Effective Date of Rent Changes for Annual Reexaminations

The new family share will generally be effective upon the anniversary date with a 30 day notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

14.1.2 Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise them that they have failed to comply with the first notice, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to comply with the second notice will result in HASC taking action to terminate the family's assistance.

14.2 INTERIM REEXAMINATIONS

Families must report all household composition and income changes within 10 days of occurrence.

14.2.1 Decreases in Income

- A. HASC will conduct an Interim Reexamination of family income when HASC becomes aware that a family's annual adjusted income has decreased by 10% (calculated percentage decreases will be rounded to the next higher whole number).
- C. HASC will conduct an Interim Review for all families when there is a decrease in family size attributed to the death or permanent move-out of family member during the period since the family's last reexam that results in a decrease in adjusted income of any amount.

14.2.2 Increases in Income

- A. HASC will conduct an Interim Review of family income when HASC becomes aware that the family's adjusted income has increased by 10% or more.
1. HASC will not consider any increases in earned income when calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle.
 2. A series of smaller reported increases in adjusted income may cumulatively meet or exceed the 10% increase threshold, at which point HASC will conduct an Interim Review.

Families are required to report the following changes in household size to the Housing

Authority of Skagit County between regular reexaminations. These changes must be reported within 10 days of the occurrence.

- A. A member has been added to the family through birth or adoption or court-awarded custody.
- B. A household member is leaving or has left the family unit.
- C. Family break-up

In circumstances of a family break-up, the Housing Authority of Skagit County will make a determination of which family member will retain the certificate or voucher, taking into consideration the following factors:

1. To whom the certificate or voucher was issued.
2. The interest of minor children or of ill, elderly, or disabled family members.
3. Whether the assistance should remain with the family members remaining in the unit.
4. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, the Housing Authority of Skagit County will be bound by the court's determination of which family members continue to receive assistance in the program.

Because of the number of possible different circumstances in which a determination will have to be made, the Housing Authority of Skagit County will make determinations on a case-by-case basis.

The Housing Authority of Skagit County will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section 16.3.

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The Housing Authority of Skagit County will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, the

Housing Authority of Skagit County will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 14.2.2.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. HASc may decline to conduct an Interim Reexamination of family income if HASc determines the family's adjusted income will decrease by an amount that is less than 10% of the family's annual adjusted income.

14.2.3 Special Reexaminations

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the Housing Authority of Skagit County may schedule special reexaminations every 60 days until the income stabilizes and an annual income can be determined.

14.2.4 Effective Date of Rent Changes Due to Interim or Special Reexaminations

Families must report all changes in family income or composition within 14 days from the effective date of the change to be considered timely.

- A. Timely reporting related to an increase in rent: When a family reports a change in family income or composition that will result in an increase in tenant rent, the family must be provided a minimum of 30 days' notice of the rent increase. The rent increase will be effective on the first of the month following the end of the 30-day notice.
- B. Timely reporting related to a decrease in rent: Families that report changes in family income or composition with 10 days from the effective date of the change that results in a decrease in tenant rent, the decrease will be effective the first day of the month after the date of the actual change leading to the Interim Reexamination.
- C. Untimely reporting related to an increase in rent: Families that do not report changes in family income or composition with 10 days from the effective date of the change, that will result in an increase to tenant rent, will have the rent increase implemented retroactively to the first of the month following the date of the change leading to the Interim Review. The family will owe a one-time payment equal to the difference in the rent paid and the new increased rent for each monthly rental period from the time of the change in circumstances through the date of the Interim Reexamination.
- D. Untimely reporting related to a decrease in rent: When a family does not report a change in a timely manner that will result in a decrease in rent, HASc will implement the decrease no later than the first of the month following completion of the Interim Reexamination.

15.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE HOUSING AUTHORITY OF SKAGIT COUNTY

Terminations Due To Insufficient Funding:

The Housing Authority may terminate housing assistance contracts if the Housing Authority determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

If the Housing Authority determines there is a shortage of funding, prior to terminating any HAP contracts, the Housing Authority will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the Housing Authority will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the Housing Authority will inform the local HUD field office. The Housing Authority will terminate the minimum number needed in order to reduce HAP costs to a level with the Housing Authority's budget authority.

The Housing Authority will determine which housing assistance contracts will be terminated if there is insufficient funding by families who have committed fraud or abuse within the past 6 months.

First, the Housing Authority will terminate families who owe the Housing Authority money but are not yet under repayment agreement.

Second, the Housing Authority will terminate families who owe the Housing Authority money, are under repayment agreement, but have made at least one late payment.

Third, the Housing Authority will terminate families who owe the Housing Authority money, are under repayment agreement, and have made all payments in accordance with the repayment agreement.

Termination when net family assets exceed \$100,000 (as adjusted annually for inflation):

HASC must initiate termination proceedings for families who are out of compliance with the asset limitation. HASC will delay the enforcement however, up to six months, allowing the family to demonstrate they have cured non-compliance with the asset limitation.

The Housing Authority may at any time terminate program assistance for a participant because of any of the following actions or inactions by the household:

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms. Families have the right to revoke consent by written notice to HASC. However, revoking consent can result in program termination or denial of assistance.

- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the Housing Authority of Skagit County determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.
- D. If any member of the family commits drug-related or violent criminal activity. Violent criminal activity includes but is not limited to murder, manslaughter, assault, sexual assault, domestic violence, robbery, breaking and entering or other crimes against persons or property.
- E. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- F. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
- G. If the family has not reimbursed any Housing Authority 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.
- H. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority may prescribe the terms of the agreement.)
- I. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- J. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel. Washington State law (RCW 9A.76.180) classifies such acts as a class B felony.
- K. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
- L. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the Housing Authority of Skagit County to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

16.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS

16.1 COMPLAINTS

The Housing Authority of Skagit County will investigate and respond to complaints by participant families, owners, and the general public. The Housing Authority of Skagit County may require that complaints other than HQS violations be put in writing. Anonymous complaints are investigated whenever possible.

16.2 INFORMAL REVIEW FOR THE APPLICANT

A. Informal Review for the Applicant

The Housing Authority of Skagit County will give an applicant for participation in the Section 8 Existing Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the Housing Authority of Skagit County decision. The notice will state that the applicant may request an informal review within 10 business days of the denial and will describe how to obtain the informal review.

B. When an Informal Review is not required

The Housing Authority of Skagit County will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. A determination of the family unit size under the Housing Authority of Skagit County subsidy standards.
2. A Housing Authority of Skagit County determination not to approve an extension or suspension of a certificate or voucher term.
3. A Housing Authority of Skagit County determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. A Housing Authority of Skagit County determination that a unit selected by the applicant is not in compliance with HQS.
5. A Housing Authority of Skagit County determination that the unit is not in accordance with HQS because of family size or composition.
6. General policy issues or class grievances.
7. Discretionary administrative determinations by the Skagit County Housing Authority.

C. Informal Review Process

The Housing Authority of Skagit County will give an applicant an opportunity for an informal review of the Housing Authority of Skagit County decision denying assistance to the applicant. The procedure is as follows:

1. The review will be conducted by any person or persons designated by the Housing Authority of Skagit County other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the Housing Authority of Skagit County decision.

3. The Housing Authority of Skagit County will notify the applicant of the Skagit County Housing Authority decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

D. Considering Circumstances

In accordance with the Violence Against Women Act of 2005, no applicant for the Voucher Program or Voucher holder who has been a victim of Domestic Violence; Dating Violence or Stalking, as defined in that Act, shall be disqualified for or terminated from the Voucher Program or denied other benefits of that program solely due to being a victim of one or more of those actions.

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may 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.

The Housing Authority 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. The Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the Housing Authority of Skagit County will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;

2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
 3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.
- E. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that the Housing Authority of Skagit County provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The applicant family must make this request within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or of the INS appeal decision to request the review.

16.3 INFORMAL HEARINGS FOR PARTICIPANTS

A. When a Hearing is Required

1. The Housing Authority of Skagit County will give a participant family an opportunity for an informal hearing to consider whether the following Housing Authority of Skagit County decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and Housing Authority of Skagit County policies:
 - a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
 - b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the Housing Authority of Skagit County utility allowance schedule.
 - c. A determination of the family unit size under the Housing Authority of Skagit County subsidy standards.
 - d. A determination that a Certificate Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the Housing Authority of Skagit County subsidy standards, or the Housing Authority of Skagit County determination to deny the family's request for an exception from the standards.

- e. A determination to terminate assistance for a participant family because of the family's action or failure to act.
 - f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the Housing Authority of Skagit County policy and HUD rules.
2. In cases described in paragraphs 16.3(A)(1)(d), (e), and (f) of this Section, the Housing Authority of Skagit County will give the opportunity for an informal hearing before the Housing Authority of Skagit County terminates housing assistance payments for the family under an outstanding HAP contract.

B. When a Hearing is not Required

The Housing Authority of Skagit County will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the Housing Authority of Skagit County.
2. General policy issues or class grievances.
3. Establishment of the Housing Authority of Skagit County schedule of utility allowances for families in the program.
4. A Housing Authority of Skagit County determination not to approve an extension or suspension of a certificate or voucher term.
5. A Housing Authority of Skagit County determination not to approve a unit or lease.
6. A Housing Authority of Skagit County determination that an assisted unit is not in compliance with HQS. (However, the Housing Authority of Skagit County will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. A Housing Authority of Skagit County determination that the unit is not in accordance with HQS because of the family size.
8. A determination by the Housing Authority of Skagit County to exercise or not exercise any right or remedy against the owner under a HAP contract.

C. Notice to the Family

1. In the cases described in paragraphs 16.3(A)(1)(a), (b), and (c) of this Section, the Housing Authority of Skagit County will notify the family that the family

may ask for an explanation of the basis of the Housing Authority of Skagit County's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

2. In the cases described in paragraphs 16.3(A)(1)(d), (e), and (f) of this Section, the Housing Authority of Skagit County will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
 - a. Contain a brief statement of the reasons for the decision; and
 - b. State if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.

D. Hearing Procedures

The Housing Authority of Skagit County and participants will adhere to the following procedures:

1. Discovery
 - a. The family will be given the opportunity to examine before the hearing any Housing Authority of Skagit County documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the Housing Authority of Skagit County does not make the document(s) available for examination on request of the family, the Housing Authority of Skagit County may not rely on the document at the hearing.
 - b. The Housing Authority of Skagit County will be given the opportunity to examine, at the Housing Authority of Skagit County's offices before the hearing, any family documents that are directly relevant to the hearing. The Housing Authority of Skagit County will be allowed to copy any such document at the Housing Authority of Skagit County's expense. If the family does not make the document(s) available for examination on request of the Housing Authority of Skagit County, the family may not rely on the document(s) at the hearing.

Note: The term **document** includes records and regulations.

2. Representation of the Family

At its own expense, a lawyer or other representative may represent the family. The Housing Authority of Skagit County will advise the family that they may

contact the Coordinated Legal Education, Advice & Referral (CLEAR) hotline at 1-888-201-1014 to seek legal advice and/or representation.

3. Hearing Officer

- a. The hearing will be conducted by any person or persons designated by the Housing Authority of Skagit County, other than a person who made or approved the decision under review or a subordinate of this person.
- b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the Housing Authority of Skagit County hearing procedures.

4. Evidence

The Housing Authority of Skagit County and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings, but the weight of such evidence will be adjusted accordingly.

5. Issuance of Decision

The person who conducts the hearing must issue a written decision within 14 calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

6. Effect of the Decision

The Housing Authority of Skagit County is not bound by a hearing decision:

- a. Concerning a matter for which the Housing Authority of Skagit County is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the Housing Authority of Skagit County hearing procedures.
- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the Housing Authority of Skagit County determines that it is not bound by a hearing decision, the Housing Authority of Skagit County will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

E. Considering Circumstances

In accordance with the Violence Against Women Act of 2005, no applicant for the Voucher Program or Voucher holder who has been a victim of Domestic Violence; Dating Violence or Stalking, as defined in that Act, shall be disqualified for or terminated from the Voucher Program or denied other benefits of that program solely due to being a victim of one or more of those actions.

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may 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.

The Housing Authority 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. The Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the Housing Authority of Skagit County will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

F. Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The participant family may request that the Housing Authority of Skagit County provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

For the participant families, the Informal Hearing Process above will be utilized with the exception that the participant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or of the INS appeal decision.

17.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease and the term of the HAP contract are the same. They begin on the same date and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract by terminating the lease. The HAP contract may be terminated by the Housing Authority of Skagit County. Under some circumstances the contract automatically terminates.

A. Termination of the Lease

1. By the family

The family may terminate the lease without cause upon proper notice to the owner and to the Housing Authority of Skagit County after the initial lease term. The length of the notice that is required is stated in the lease (generally 30 days).

2. By the owner

a. The owner may terminate the lease during its term on the following grounds:

i. Serious or repeated violations of the terms or conditions of the lease;

ii. Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and its premises;

iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;

iv. Any drug-related or violent criminal activity on or near the premises;

v. Other good cause. Other good cause may include, but is not limited to:

(1) Failure by the family to accept the offer of a new lease;

- (2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;
 - (3) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit;
 - (4) A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.
- b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.
 - c. The owner may only evict the tenant by instituting court action after or simultaneously providing written notice to the participant specifying the grounds for termination. The owner must give the Housing Authority of Skagit County a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.
 - d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

3. By mutual agreement

The family and the owner may at any time mutually agree to terminate the lease.

B. Termination of the Contract

1. Automatic termination of the contract

- a. If the Housing Authority of Skagit County terminates assistance to the family, the contract terminates automatically.
- b. If the family moves out of the unit, the contract terminates automatically.
- c. 180 calendar days after the last housing assistance payment to the owner.

2. Termination of the contract by the owner

The owner may only terminate tenancy in accordance with lease and State and local law.

3. Termination of the HAP contract by the Housing Authority of Skagit County

The Housing Authority may terminate the HAP contract because:

- a. The Housing Authority has terminated assistance to the family.
- b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.
- c. The unit is larger than appropriate for the family size or composition under the regular Certificate Program.
- d. When the family breaks up and the Housing Authority of Skagit County determines that the family members who move from the unit will continue to receive the assistance.
- e. The Housing Authority of Skagit County determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
- f. The owner has breached the contract in any of the following ways:
 - i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
 - ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act.
 - iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
 - iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement.
 - v. If the owner has engaged in drug-related criminal activity or any violent criminal activity.
- g. If a welfare-to-work family fails to fulfill its obligations under the welfare-to-work voucher program.

4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, the Housing Authority will continue to make payments until the owner obtains a judgment or the family moves out.

18.0 CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE

Occasionally, it is necessary for the Housing Authority of Skagit County to spend money from its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures.

The Housing Authority of Skagit County Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to \$5000 for authorized expenditures.

Any item(s) exceeding \$5000 will require prior Board of Commissioner approval before any charge is made against the Section 8 Administrative Fee Reserve.

19.0 INTELLECTUAL PROPERTY RIGHTS

No program receipts may be used to indemnify contractors or subcontractors of the Housing Authority of Skagit County against costs associated with any judgement of infringement of intellectual property rights.

20.0 SKAGIT COUNTY HOUSING AUTHORITY OWNED HOUSING

Units owned by the Housing Authority of Skagit County and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with Federal regulation, the Housing Authority of Skagit County will do the following:

- A. The Housing Authority of Skagit County will make available through the briefing process both orally and in writing the availability of Housing Authority of Skagit County owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
- B. The Housing Authority of Skagit County will obtain the services of an independent entity to perform the following Housing Authority of Skagit County functions:
 1. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the Housing Authority of Skagit County.
 2. To assist the family in negotiating the rent.

3. To inspect the unit for compliance with HQS.
- C. The Housing Authority of Skagit County will gain HUD approval for the independent agency/agencies utilized to perform the above functions.
- D. The Housing Authority of Skagit County will compensate the independent agency/agencies from our ongoing administrative fee income.
- E. The Housing Authority of Skagit County, or the independent agency/agencies, will not charge the family any fee or charge for the services provided by the independent agency.

21.0 QUALITY CONTROL OF SECTION 8 PROGRAM

In order to maintain the appropriate quality standards for the Section 8 program, the Housing Authority of Skagit County will review files and records throughout the year to determine if the work documented in the files or records conforms to program requirements. This shall be accomplished by a supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person. The number of files and/or records checked shall be at least equal to the number specified in the Section 8 Management Assessment Program for our size housing authority.

22.0 TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM

A. New HAP Contracts

On and after October 1, 1999, the Housing Authority of Skagit County will only enter into a HAP contract for a tenancy under the voucher program, and will not enter into a new HAP contract for a tenancy under the certificate program.

B. Over-FMR Tenancy

If the Housing Authority of Skagit County had entered into any HAP contract for an over-FMR tenancy under the certificate program prior to the merger date of October 1, 1999, on and after October 1, 1999, such tenancy shall be considered and treated as a tenancy under the voucher program and will be subject to the voucher program requirements under 24 CFR 982.502, including calculation of the voucher housing assistance payment in accordance with 24 CFR 982.505. However, 24 CFR 982.505(b)(2) will not be applicable for calculation of the housing assistance payment prior to the effective date of the second regular reexamination of family income and composition on or after the merger date of October 1, 1999.

C. Voucher Tenancy

If the Housing Authority of Skagit County had entered into any HAP contract for a voucher tenancy prior to the merger date of October 1, 1999, on and after October 1, 1999, such tenancy will continue to be considered and treated as a tenancy under the

voucher program and will be subject to the voucher program requirements under 24 CFR 982.502, including calculation of the voucher housing assistance payment in accordance with 24 CFR 982.505. However, 24 CFR 982.505(b) (2) will not be applicable for calculation of the housing assistance payment prior to the effective date of the second regular reexamination of family income and composition on or after the merger date of October 1, 1999.

D. Regular Certificate Tenancy

The Housing Authority of Skagit County will terminate program assistance under any outstanding HAP contract for a regular tenancy under the certificate program entered into prior to the merger date of October 1, 1999, at the effective date of the second regular reexamination of family income and composition on or after the merger date of October 1, 1999. Upon such termination of assistance, the HAP contract for such tenancy terminates automatically. The Housing Authority of Skagit County will give at least 120 days written notice of such termination to the family and the owner, and the Housing Authority of Skagit County will offer the family the opportunity for continued tenant-based assistance under the voucher program. The Housing Authority of Skagit County may deny the family the opportunity for continued assistance in accordance with 24 CFR 982.552 and 24 CFR 982.553. A Housing Choice Voucher will be issued sooner if requested jointly by the owner and the family.

23.0 FAMILY DEBTS TO THE HOUSING AUTHORITY

When an action or inaction of a participant results in the overpayment of housing assistance, the Housing Authority of Skagit County holds the participant liable to return any overpayments to the Housing Authority.

The Housing Authority will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When a participant refuses to repay monies owed to the Housing Authority, the Housing Authority will utilize other available collection alternatives including but not limited to the following:

- Collection Agencies

If the participant refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the Housing Authority will terminate the assistance upon notification to the family and pursue other modes of collection.

If a payment is not received by the due date and prior approval for the missed payment has not been given by the Housing Authority, the Housing Authority will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the Housing Authority will terminate assistance upon written notification to the family.

If a family receives 3 delinquency notices for unexcused late payments in a 12 month period, the repayment agreement will be considered in default and the Housing Authority will terminate assistance upon written notification to the family.

The Housing Authority will set the monthly repayment amount based on what the family can afford but no less than \$25 a month.

The head of household and spouse/cohead (if applicable) must sign the repayment agreement.

All payments are due by the close of business on the 10th day of the month. If the 10th does not fall on a business day, the due date is the close of business on the first business day after the 10th.

The Housing Authority will not enter into a repayment agreement if there is already a repayment agreement in place with the family.

24.0 PROJECT-BASED ASSISTANCE

24.1 INTRODUCTION

HUD allows Housing Authorities to convert a portion of their Section 8 assistance from tenant-based to project-based. The use of project-based assistance must be consistent with the goals of deconcentrating poverty and expanding housing and economic opportunities. Other than the specific program rules detailed below or those required by HUD, project-based assistance is subject to all standard Section 8 rules and regulations.

24.2 NUMBER OF PROJECT-BASED UNITS

The PHA will operate a project-based voucher program using up to 20 percent of its authorized units for project-based assistance.

24.3 SITE SELECTION

It is the PHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the PHA will limit approval of sites for PBV housing to census tracts that have poverty concentrations of 20 percent or less.

However, HASC will grant exceptions to the 20 percent standard where HASC determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

A census tract where there has been an overall decline in the poverty rate within the past five years; or

A census tract where there are meaningful opportunities for educational and economic advancement.

24.4 HOUSING TYPE

HASC anticipates that it will offer several varieties of project-based assistance and may use new construction, rehabilitation or existing housing to develop units under the PBV Program. Therefore, the housing type will be detailed and advertised prior to each opening. Any selection process will follow all applicable HUD regulations. . HASC may use two selection processes; a competitive process through issuance of requests for proposals or a non-competitive process where a property was competitively selected through a governmental process within three years of HASC's PBV proposal selection date. If competitive, HASC's Board of Commissioners will approve any selection process, thus allowing public comment on any proposed process. Where necessary, HASC will receive HUD approval of any proposed selection process.

24.5 REQUESTS FOR PROPOSALS

HASC will advertise its request for proposals (RFP) the availability of any project-based assistance allocations to owners and developers in accord with HUD regulations. At a minimum, the availability of project-based assistance will be advertised once a week for at least three weeks in a local newspaper of general circulation.

The RFP will specify the number of vouchers available to be project-based, the type of units that will be considered for project-basing (existing, new construction, or rehabilitation), the intended occupancy (families, elderly, special need populations) and the last day that applications may be accepted. The RFP will also include the census tracts for which owners may submit proposals as well as the selection criteria for ranking and rating proposals.

In order to be considered the proposal must be submitted by the published deadline and the proposal must respond to all the requirements as outlined in the RFP. Incomplete proposals will not be reviewed. The advertisement will also contain a statement that participation requires compliance with Fair Housing and Equal Opportunity requirements and that the Federal Labor Standards provisions may be applicable for new and rehabilitation construction.

HASC will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;
- Extent to which the project furthers HASC's goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, the extent to which services for special populations are provided on site or in the area for occupants of the property; and
- The extent to which the project promotes community inclusion and provides opportunities for participants to live in diverse neighborhood-like settings; and
- Project readiness; and
- Project feasibility.

Selection Committee

A HASC selection committee will review the submitted proposals. The committee will consist of two HASC staff members and an independent member of the affordable housing community.

HASC Owned Units

HASC may submit a proposal for project-based housing project that is owned or controlled by HASC or where HASC has an identity of interest. If the proposal for HASC-owned housing is selected, HASC will use HUD or an independent entity approved by HUD, to review the selection process.

Owner Selection

Within 10 business days of HASC making the selection, HASC will notify the selected owner in writing of the owner's selection for the PBV program. HASC will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

Notice of Owner Selection

In addition, HASC will provide public notice for selection of PBV proposals by way of posting on its website and/or in a local newspaper of general circulation.

HASC will make available to any interested party its rating and ranking sheets and documents that identify HASC basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. HASC will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner. HASC will make these documents available for review at HASC during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

24.6 AGREEMENT TO ENTER IN HOUSING ASSISTANCE PAYMENTS CONTRACT (AHAP)

HASC will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

Completion of Housing

HASC will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. HASC will specify any additional documentation requirements in the Agreement to enter into HAP contract.

24.7 HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

Execution of HAP

For existing housing, the HAP contract will be executed within 10 business days of HASC determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of HASC determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of the Contract

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis based on the RFP, for a term of 1-20 years.

Rent Determination

HASC will elect within the HAP contract not to reduce rents below the initial level, with the exception of the following cases:

- To correct errors in calculations in accordable with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55 (SLR)
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant

If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, HASC will use the higher initial rent to owner amount.

An owner's request for a rent increase must be submitted to the PHA 60 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing.

Upon written request by the owner, HASC will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. HASC will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, HASC may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if HASC determines it is necessary due to budgetary constraints.

HASC will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

For PHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD.

Contract Extensions

When determining whether or not to extend an expiring PBV contract, HASC will consider several factors including, but not limited to:

The cost of extending the contract and the amount of available budget authority;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and lease(s);

Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

Amendments to the Contract

Substituting Contract Units

At the discretion of HASC and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Prior to such substitution, HASC must inspect the proposed substitute unit and must determine the reasonable rent for such unit.

Adding Contract Units

Subject to program and project caps, HASC and the PB owner may amend the HAP contract to add additional PBV units in the projects that already have a HAP contract without fulfilling selection requirements. The amendment to the HAP contract will be effective the 1st day of the month following the date HASC's notice. Prior to the substitution, HASC or in the case of HASC owned projects, a third-party entity, must determine rent reasonable and compliance with HQS. HASC will consider adding units if there has been a reduction in the number of units in a project or if adding units meets Housing Authority goals.

Vacancy Loss

HASC will decide on a case-by-case basis if HASC will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

Reduction in HAP Contract Units

If any contract units have been vacant for 120 days, HASC will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. HASC will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the HASC's notice.

24.8 TENANT SELECTION

HASC's standard Section 8 wait list and preferences will be used to select families for project-based units. If the project-based assistance is targeted to a special program population (e.g., VASH, Family Unification, homeless families), then families for those units will be selected from HASC's regular wait list or received as special or referral admission in accord with the regulations and policies for that special program. Owner referrals and wait lists cannot be used to select tenants.

HASC will inform owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. HASC will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

24.9 LEASE TERM

The initial lease term for project-based units is one year.

The owner must notify HASC in writing within five business days of learning about any vacancy or expected vacancy.

HASC will make every reasonable effort to refer families to the owner within 10 business days of receiving notice from the owner.

24.10 TENANT MOBILITY AND PORTABILITY

Section 8 recipients who have resided in a project-based unit for at least 12 months may move with continued assistance (they will receive a tenant-based voucher) subject to the same rules as any other tenant-based Section 8 participant family. If the family wishes to move, but no voucher is available, then the family will receive the next available voucher (ahead of families on the wait list). If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Overcrowded, Under-Occupied and Accessible Units

If HASC determines that a family is occupying a wrong size unit, based on the HASC's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, HASC must promptly notify the family and the owner of this determination, and HASC must offer the family the opportunity to receive housing assistance in another unit.

HASC will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the HASC's determination. HASC will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;

- PBV assistance in another project; and

- Tenant-based voucher assistance.

If HASC offers the family a tenant-based voucher, HASC must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by HASC) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, HASC must remove the unit from the HAP contract.

When HASC offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, HASC will terminate the housing assistance payments at the expiration of this 30-day period. HASC may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Transfers Under VAWA

When the victim of domestic violence, dating violence, sexual assault, or stalking has lived in the unit for less than one year, the HASC will provide several options for continued assistance.

HASC will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where the HASC has PBV units. HASC will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to tenant-based rental assistance (HCV).

If a family has lived in the unit for less than a year, and PB units are not available, the victim will be referred to the tenant-based voucher waiting list. HASC has adopted a waiting list preference for participants of HASC's Project-Based program, who have lived in the unit for less than one year, are victims of domestic violence, dating violence, sexual assault, and stalking and are making an emergency transfer request. If a voucher is not immediately available, HASC will issue the family the next available voucher. Once in a unit longer than one year, this preference no longer applies.

If a project-based victim of domestic violence wishes to move after a year of occupancy in the project-based unit, and no tenant-based vouchers are available, HASC will issue the family the next available voucher.

If a victim of domestic violence declines a project-based unit and does not lease up before the expiration of their tenant-based voucher, HASC is not required to provide the family with alternate forms of continued assistance.

24.12 HQS INSPECTIONS

The PHA will not provide assistance on behalf of the family until the unit fully complies with HQS.

The PHA will inspect once every 24 months a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS.

In the case of HASC owned units, the inspections will be conducted by a HUD approved independent entity.

The PHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program.

25.0 HOMEOWNERSHIP

25.1 OVERVIEW

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program.

There are two forms of homeownership assistance The HASC may provide, monthly homeownership assistance payments, or a single down payment assistance grant. HASC offers monthly homeownership assistance payments.

The HASC will offer either form of homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of the HASC to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The HASC must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the HASC has otherwise opted not to implement a homeownership program.

The HASC will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

25.2 FAMILY ELIGIBILITY

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

- The family must have been admitted to the Housing Choice Voucher program.
- The family must have been a participant in or graduate of the Housing Authority of Skagit County's Section 8 FSS Program and remained a participant in good standing with respect to the contractual goals and requirements of the family's FSS plan.
- The family must qualify as a first-time homeowner, or may be a cooperative member.
- The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home.
- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.

- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.
- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the HASC will grant an exemption from the employment requirement if the HASC determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale.

25.3 SELECTION OF FAMILIES

The HASC will administer up to 5 new homeownership units per year. The HASC may exceed the number of units planned per year if it is necessary as a reasonable accommodation for a person with a disability. If this occurs, the HASC may reduce the number of homeownership units offered in subsequent years.

25.4 ELIGIBLE UNITS

In order for a unit to be eligible, the HASC must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following:
 - A public housing or Indian housing unit;
 - A unit receiving Section 8 project-based assistance;
 - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;

- A college or other school dormitory;
 - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the contract of sale.
 - The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
 - The unit must have been inspected by the HASC and by an independent inspector designated by the family.
 - The unit must meet Housing Quality Standards.
 - For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.
 - For PHA-owned units all of the following conditions must be satisfied:
 - The PHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
 - The unit is not ineligible housing;
 - The PHA obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.

The PHA must not approve the unit if the PHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

25.5 ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The family will be allowed 60 days to identify a unit and submit a sales contract for review. The family will be allowed up to two (2) thirty (30) day extensions that may be granted at the sole discretion of the HASC. If an extension is granted, the family will orally report to the HASC every two weeks to update the HASC on the progress of its search.

Once a suitable property has been identified and an agreement to purchase contract entered into, the HASC will determine a maximum time in which the closing must occur and family to take occupancy of the property. This time frame will vary depending on market conditions.

All requests for extensions must be submitted in writing to the HASC prior to the expiration of the period for which the extension is being requested. During these periods, the family will continue

to receive HCV rental assistance in accordance with any applicable lease and HAP contract until the family vacates the rental unit for its purchased home.

If the family is unable to locate a suitable home to purchase, it can request that the HCV be converted into a rental assistance voucher. This request must be made before the voucher expires. Approval of the request will be at the discretion of the HASC with the decision being based on the effort by the family and the condition of the marketplace. The HASC may grant additional extensions based upon reasonable accommodation in the case of a voucher holder with a disability.

25.6 HOMEOWNERSHIP COUNSELING

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the HASC. HUD suggests the following topics for the PHA-required pre-assistance counseling:

- Home maintenance (including care of the grounds);
- Budgeting and money management;
- Credit counseling;
- How to negotiate the purchase price of a home;
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The HASC will offer additional counseling after commencement of homeownership assistance. This counseling will be voluntary for all homeownership assistance recipients except those requesting their second, fifth, tenth, fourteenth and fifteenth years of assistance. The reason for this mandatory counseling is to make sure the families are either off to a good start or preparing for the termination of their assistance.

25.7 HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER

25.7.1 Home Inspections

The HASC will not commence homeownership assistance for the family until the HASC has inspected the unit and has determined that the unit passes HQS.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions,

including major building systems and components. This inspector must be a member of the American Society of Home Inspectors (ASHI) or other recognized professional society, or a licensed engineer.

The HASC may not require the family to use an independent inspector selected by the HASC. The independent inspector may not be a HASC employee or contractor, or other person under control of the HASC.

This inspectors report must be submitted to both the HASC and the family for review. The HASC will not commence homeownership assistance for the family until it has reviewed the inspection report of the independent inspector.

The PHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

25.7.2 Contract of Sale

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the HASC a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

25.7.3 Disapproval of a Seller

In its administrative discretion, the HASC may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

25.8 FINANCING

A purchasing family must invest at least three percent of the purchase price of the home they are buying in the property. This can take the form of either a down payment, closing costs, or a combination of the two. Of this sum, at least one percent of the purchase price must come from the family's personal resources.

A participant in the Family Self-Sufficiency Program may use escrow funds for a down payment providing that the family meets the other goals of the FSS Program as stated in the family's Individual Training and Service Plan.

The family must qualify for the mortgage loan under a lender's normal lending criteria taking into account the fact that this is by definition a low-income family.

If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.

If the loan is financed either by the seller or a non-traditional mortgage lending institution or individual, the loan shall be subject to the review of the Housing Authority of Skagit County. The housing authority may verify that there are no unusual or onerous requirements in the loan documents and that the mortgage is affordable to the purchasing family. Also, the lender must require that an appraisal of the property is conducted and the appraiser must determine that the property is worth at least as much as the purchaser is paying.

Unless the purchaser can convince the Housing Authority of Skagit County of unusual circumstances, no balloon payment mortgages or variable rate mortgages shall be allowed in the program.

All mortgage loans must close within the period of time established by the Housing Authority of Skagit County at the time the purchaser and seller enter into their sale contract.

25.9 CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the HASC may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the HASC the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
- The family must supply information to the PHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by the PHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.

- The family may not re-finance, apply for an equity loan or make any other loans against the home without HASC approval.
- The family must sign a release allowing HASC to exchange information with the lender.
- The family may not enter into an agreement to sell the home unless HASC has first approved the sale.
- The family must notify the HASC before moving out of the home.
- The family must notify HASC immediately if the mortgage used to purchase the home goes into default within two days of receipt of the default letter.
- HASC will not allow the family to continue in or participate in the future in HASC Homeownership program after a default by any member of the family.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(c), (d), (e), (f), (g) and (j).
- Annual Recertifications will continue to ensure that the family is still eligible for assistance. If the family is determined ineligible for Section 8 Assistance, they will be terminated and they will be responsible for the entire mortgage.
- The Family must comply with the Statement of Homeownership Obligations and sign it annually at recertification.
- The Family will sign an acknowledgment form that they will become obligated for the whole mortgage payment in the event of termination of assistance.
- The Family will sign an acknowledgement form that the family shall continue to comply with the appropriate provisions of the HUD Section 8 Rental Assistance regulations and HASC section 8 rental assistance and homeownership administrative plans.
- The family will agree to maintain the conditions of the home so as to comply with HUD Housing Quality Standards (HQS).

25.10 MAXIMUM TERM OF HOMEOWNER ASSISTANCE

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

25.11 HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the PHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in elsewhere in this plan for the Housing Choice Voucher program.

The PHA may pay the homeownership assistance payments directly to the lender, or at the PHA's discretion, to the family on a case by case basis. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

The PHA must adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

Homeownership expenses (not including cooperatives) only include amounts allowed by the PHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- The PHA allowance for maintenance expenses at .1% a month;
- The PHA allowance for costs of major repairs and replacements at .1% a month;
- The PHA utility allowance for the home;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located; [see 24 CFR 982.628(b)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

The housing assistance payment will be paid directly to the lender. Other arrangements may be made at the discretion of HASC on a case by case basis. If the assistance payment exceeds the amount due to the lender, the HASC will pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last housing assistance payment on behalf of the family. In order for the HASC to consider granting relief from the requirement to automatically terminate homeownership assistance 180 calendar days following the HASC's last housing assistance payment on behalf of the family, the family must submit a request to the HASC at least 30 days prior to the date of automatic termination. The request must include an explanation of the circumstances that will cause an extreme hardship for

the family (e.g., the imminent loss of income or employment) as well as documentation supporting the request. The HASC will determine on a case-by-case basis whether to grant relief from the requirement and for what period of time. In no case will the HASC postpone termination beyond an additional 90 days.

25.12 PORTABILITY

Subject to the restrictions on portability included in HUD regulations and HASC policies, a family may exercise portability if the receiving housing authority is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the HASC.

The family must attend the briefing and counseling sessions required by the receiving PHA.

The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

If the Housing Authority of Skagit County has slots open in our homeownership program we will accept homeowners exercising portability from another program and absorb such families if possible.

25.13 MOVING WITH CONTINUED ASSISTANCE

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title or other interest to the prior home. The Housing Authority of Skagit County will not require additional counseling of any families who move with continued assistance.

The Housing Authority of Skagit County will issue the family a new voucher if the family does not owe the Housing Authority of Skagit County or any other Housing Authority money, has not violated a Family Obligation, has not moved or been issued a voucher within the last 6 months, and if the Housing Authority of Skagit County has sufficient funding for continued assistance.

The Housing Authority will deny a family permission to move on grounds that the Housing Authority does not have sufficient funding for continued assistance if the Housing Authority can demonstrate that the move will in fact, result in higher subsidy costs; and (c) the Housing Authority can demonstrate that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

The Housing Authority may deny permission to move to a new unit with continued voucher assistance as follows:

- Lack of funding to provide continued assistance.
- At any time, the PHA may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.

- Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the Housing Authority of Skagit County allow a participant to improperly break a lease. Under extraordinary circumstances the Housing Authority of Skagit County may consider allowing more than one move in a 12-month period.

The HASC must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

25.14 DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]

At any time, the HASC may deny or terminate homeownership assistance in accordance with HCV program requirements and violations of participant obligations described in accordance with HASC HCV program policies.

The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

GLOSSARY

1937 Housing Act: The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]

Absorption: In portability, the point at which a receiving housing authority stops billing the initial housing authority for assistance on behalf of a portable family. [24 CFR 982.4]

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which tenant rent is based.

Administrative fee: Fee paid by HUD to the housing authority for the administration of the program.

Administrative Plan: The plan that describes housing authority policies for the administration of the tenant-based programs.

Admission: The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term).

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An adult must have the legal capacity to enter a lease under State and local law.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowances can be given at the discretion of the housing authority.

Amortization Payment: In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home. If furniture was included in the purchase price, the debt service must be reduced by 15% to exclude the cost of the furniture. The amortization cost is the initial financing, not refinancing. Set-up charges may be included in the monthly amortization payment.

Annual Contributions Contract (ACC): The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program.

Annual Income: All amounts, monetary or not, that:

- a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
- b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- c. Are not specifically excluded from Annual Income.

- d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

Applicant (applicant family): A family that has applied for admission to a program but is not yet a participant in the program.

Assets: see net family assets.

Asset Income: Income received from assets held by household members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

Assisted lease (lease): A written agreement between an owner and a family for the leasing of a dwelling unit to the family. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the housing authority.

Attendant Care and Auxiliary Apparatus Expenses: Auxiliary Apparatus items can include (for example) expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read, or type or special equipment to assist a person who is deaf or hard of hearing. Example of attendant care expenses can include teaching a person with disabilities how to perform day to day tasks independently like cleaning, bathing, doing laundry and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day. In order to claim the deduction for the cost of unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family to be employed. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.

Certificate: A document issued by a housing authority to a family selected for admission to the Certificate Program. The certificate describes the program and the procedures for housing authority approval of a unit selected by the family. The certificate also states the obligations of the family under the program.

Certification: The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child: For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age.

Child care expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit

employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen: A citizen or national of the United States.

Common space: In shared housing: Space available for use by the assisted family and other occupants of the unit.

Congregate housing: Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

Consent form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

Contiguous MSA: In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial housing authority is located.

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

Cooperative: Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing.

Domicile: The legal residence of the household head or spouse as determined in accordance with State and local law.

Decent, safe, and sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development.

Dependent: A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability assistance expenses: Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member
10

Elderly person: A person who is at least 62 years of age.

Evidence of citizenship or eligible status: The documents that must be submitted to evidence citizenship or eligible immigration status.

Exception rent: An amount that exceeds the published fair market rent.

Extremely low-income families: Family whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. HUD has set the one-person 30% of median income limit at least as high as the State SSI benefit level.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

Fair market rent (FMR): The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately-owned existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

Family includes but is not limited to:

- a. A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- b. An elderly family;
- c. A near-elderly family;
- d. A disabled family;
- e. A displaced family;
- f. The remaining member of a tenant family; and
- g. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family members: include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058 form.

Family Rent to Owner: In the voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program): The program established by a housing authority to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share: The portion of rent and utilities paid by the family or the gross rent minus the amount of the housing assistance payment.

Family unit size: The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

50058 Form: The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of the housing authority, for interim reexaminations.

FMR/exception rent limit: The Section 8 existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Voucher Program, the housing authority may adopt a payment standard up to the FMR/exception rent limit.

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 rent to the owner plus any utilities.

Group Home: A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

Head of household: The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Household members: include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment (HAP): The monthly assistance by a housing authority, which includes (1) a payment to the owner for rent to the owner under the family's lease, and (2) an additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing quality standards (HQS): The HUD minimum quality standards for housing assisted under the Section 8 program.

Housing voucher: A document issued by a housing authority to a family selected for admission to the Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Housing voucher holder: A family that has an unexpired housing voucher.

Imputed income: For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

Income category: Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

Incremental income: The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

Initial Housing Authority: In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a

housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.

Initial payment standard: The payment standard at the beginning of the HAP contract term.

Initial rent to owner: The rent to owner at the beginning of the initial lease term.

Interim (examination): A reexamination of a household's income, expenses, and household status conducted between the annual recertifications when a change in a household's circumstances warrant such a reexamination.

Jurisdiction: The area in which the housing authority has authority under State and local law to administer the program.

Lease: A written agreement between an owner and tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the housing authority.

Legal capacity: The participant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Live-in aide: A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- a. Is determined to be essential to the care and well-being of the persons;
- b. Is not obligated for the support of the persons; and
- c. Would not be living in the unit except to provide the necessary supportive services.

Low-income families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families. [1937Act]

Manufactured home: A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

Manufacture home space: In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

Medical expenses: Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

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

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of \$1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

- a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance); or

- b. repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

Mutual housing is included in the definition of "cooperative".

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Near-elderly family: A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Net family assets:

- a. Net cash value after deducting reasonable costs that would be incurred in disposal of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- b. In cases where a trust fund has been established and the trust is not revocable 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. Any income distributed from the trust fund shall be counted when determining annual income.
- c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Noncitizen: A person who is neither a citizen nor national of the United States.

Notice Of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Occupancy standards: The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

Owner: Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.

Participant (participant family): A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).

Payment standard: In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

Person with disabilities: A person who:

- a. Has a disability as defined in Section 223 of the Social Security Act,

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."

- b. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:

- (1) is expected to be of long-continued and indefinite duration,

- (2) substantially impedes his or her ability to live independently, and

- (3) is of such a nature that such ability could be improved by more suitable housing conditions, or

- c. Has a developmental disability as defined in Section 102(7) of the of the Developmental Disabilities Assistance and Bill of Rights Act.

"Severe chronic disability that:

- (1) is attributable to a mental or physical impairment or combination of mental and physical impairments;

- (2) is manifested before the person attains age 22;

- (3) is likely to continue indefinitely;

- (4) results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and

(5) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

Portability: Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial housing authority.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds.

Private space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Preservation: This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based Section 8 assistance whose HAP contracts are about to expire.

Proration of assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

Public Housing Agency: A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Reasonable rent: A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

Receiving Housing Authority: In portability, a housing authority that receives a family selected for participation in the tenant-based program of another housing authority. The receiving housing authority issues a voucher, and provides program assistance to the family.

Re-certification: A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

Remaining member of a tenant family: A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent to owner: The monthly rent payable to the owner under the lease. Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Set-up charges: In a manufactured home space rental, charges payable by the family for assembly, skirting and anchoring the manufactured home.

Shared housing: A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

Shelter allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single person: Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

Single room occupancy housing (SRO): A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

Special admission: Admission of an applicant that is not on the housing authority waiting list, or admission without considering the applicant's waiting list position.

Special housing types: Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and bri (including manufactured home space rental).

State Wage Information Collection Agency (SWICA): The State agency receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Statement of family responsibility: An agreement in the form prescribed by HUD, between the housing authority and a family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Subsidy standards: Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension: Stopping the clock on the term of a family's voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

Tenant: The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Third-party (verification): Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling: see suspension.

Total tenant payment (TTP):

- (1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act which is the higher of :
 - a. 30% of the family's monthly adjusted income;
 - b. 10% of the family's monthly income;
 - c. Minimum rent; or
 - d. if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.
- (2) If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

Unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses: Health and medical care expenses include costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period of which annual income is calculated. Health and medical care expenses may be deducted from annual income only if eligible and not otherwise reimbursed and may only be deducted for elderly or disabled families.

Utility allowance: If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a housing authority or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility hook-up charge: In a manufactured home space rental, costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Utility reimbursement: In the voucher program, the portion of the housing assistance payment that exceeds the amount of the rent to owner. It is only paid when the housing assistance payment exceeds the rent to owner. In the certificate program, if the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Verification:

- a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).
- b. The three types of verification are:
 - (1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.
 - (2) Documentation such as a copy of a c or bank statement
 - (3) Family certification or declaration (only used when third-party or documentation verification is not available)

Very low-income families: Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families. [1937 Act]

Violent criminal activity: Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher (rental voucher): A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

Voucher holder: A family holding a voucher with unexpired search time.

Waiting list admission: An admission from the housing authority waiting list. [24 CFR 982.4]

Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. [24 CFR 5.603(d)]

Welfare rent: In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

Welfare -to-Work (MTW) families: Families assisted with voucher funding awarded under the HUD welfare-to-work voucher program.

ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	Housing Authority
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PBC	Project-Based Certificate (program)
QHWRA	Quality Housing and Work Responsibility Act of 1998
PHA	Public Housing Agency
TTP	Total Tenant Payment

Housing Authority of Skagit County
 Administrative Plan For The
 Housing Choice Voucher Program

Revision Date	Revision
3/14/2012	Pg 6 (2.1) A. Revised paragraph to include the San Juan County jurisdiction.
3/14/2012	Pg 7 (2.1) B. #16 Added reference to San Juan County utility allowance schedule
3/14/2012	Pg 15 Residency Preference – added reference to clarify Skagit and San Juan as separate counties
3/14/2012	Pg 18 Removed reference to the NED’s Vouchers – moved to page 21 Added reference to the San Juan county vouchers and changed the title of the projects to One Year Mainstream.
3/14/2012	Pg 21 Selection From the Waiting List – Preferences Added reference to the residency preference to clarify Skagit and San Juan as two separate counties
3/14/2012	Pgs. 93-95 Added Project Based Assistance
12/12/12	Pg 27 Revised Term of the Voucher to include the term of a VASH Voucher
9/10/2014	Pg 95 Added Homeownership

<p>1/15/2015</p>	<ul style="list-style-type: none"> • Pages 59-60 Types of Inspections: (C) Complaint Inspections and (E) Emergency Inspections changed to (C) Interim Inspections. (G) Quality Control Inspections – changed from 5% of total units under lease to; determined by HUD SEMAP requirements. (H) Biennial Inspections added. • Pages 70-71 Added carbon monoxide alarm requirements • Taking Applications: Pages 17 -18 Updated the HASC office hours
<p>7/13/2016</p>	<p>Chapter 3 Eligibility for Admission Page 12 Chapter 4 Grounds for Denial Page 20</p> <p>Added denial to any applicant who currently owes rent or other amounts to HASC.</p>
<p>8/10/2016</p>	<p>Chapter 3 Page 13</p> <p>Definition of Family</p> <p>HASC has revised the definition of family as follows:</p> <p>The term family includes, but is not limited to the following regardless of actual or perceived sexual orientation, gender identity, or marital status:</p> <p style="padding-left: 40px;">A single person, who may be an elderly person, displaced person, disabled person, near elderly person; or any other single person or a group of persons residing together and such group includes, but is not limited to a family with or without children. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship.</p>

<p>8/10/2016</p>	<p>Chapter 3 Page 14</p> <p>Definition of Extremely Low Income</p> <p>HASC has revised the definition of extremely low income as follows:</p> <p><i>An Extremely low income family.</i> A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, as determined by HUD, whichever is higher.</p>
<p>8/10/2016</p>	<p>Chapter 11 Page 57</p> <p>Utility Allowance Limits</p> <p>HASC has revised the administrative plan to reflect the 2014 Appropriations Act utility allowance limits as follows:</p> <p>The utility allowance for a family shall be the lower of:</p> <ul style="list-style-type: none"> • The utility allowance amount for the family voucher size or, • The utility allowance amount for the unit size of the unit rented by the family

<p>8/10/2016</p>	<p>Chapter 9 Page 39</p> <p>Adjusted Income in Regard to Tuitions Costs</p> <p>HASC has added the explanation of financial assistance in excess of tuition as follows:</p> <p>Any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 <i>et seq.</i>), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, “financial assistance” does not include loan proceeds for the purpose of determining income.</p> <p>HASC revised the exclusions of amounts received for tuition as follows:</p> <p>Financial assistance paid to a student over the age of 23 who has dependent children and student loans is excluded from annual income. The financial assistance received for tuition of a student residing with his or her parents is excluded from annual income.</p>
<p>8/10/2016</p>	<p>Chapter 4 Page 20</p> <p>Waiting List Purge</p> <p>HASC has revised the administrative plan to reflect the current practice of purging the waiting list as follows:</p> <p>The Housing Authority of Skagit County will update and purge its waiting list often enough to ensure that the pool of applicants at the top of the waiting list reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences.</p>

<p>8/10/2016</p>	<p>Chapter 3 Page 17 Chapter 5 Pages 22 and 23</p> <p>Waiting List Residency Preference</p> <p>HASC has revised the administrative plan to reflect the actual practice in regard to preference as follows:</p> <p>Residency - Current residents including families with a member who works or has been hired to work in either San Juan or Skagit County or an active participant in an education or training program.</p> <p>HASC deleted the following statement: 200 of these vouchers are designated specifically for use in Skagit County and 20 are designated specifically for use in San Juan County. All other vouchers allocated to the Housing Authority of Skagit County are designated for use in Skagit County. A separate waiting list is maintained for each county.</p>
<p>8/10/2016</p>	<p>Chapter 3 Page 16</p> <p>Suitability for Tenancy</p> <p>HASC revised the administrative plan to reflect the actual practice in regard to criminal history search program and applicable agencies</p>
<p>8/10/2016</p>	<p>Chapter 3 Page 17 Chapter 5 Page 23</p> <p>Residency Preference</p> <p>HASC revised the administrative plan to require a minimum of 3 documents bearing the applicants local address in order to verify Skagit County residency</p>
<p>8/10/2016</p>	<p>Chapter 4 Page 19</p> <p>Taking Applications</p> <p>HASC added a statement to document that the pre-application phase does not apply to the VASH program. The VASH program does not require a pre-application</p>

<p>8/10/2016</p>	<p>Chapter 6 Pages 24-25</p> <p>Subsidy Standards</p> <p>HASC revised the administrative plan to reflect the actual practice in regard to subsidy standards and assignment of bedroom sizes</p>
<p>8/10/2016</p>	<p>Chapter 6 Page 27</p> <p>Briefing Packet</p> <p>Deleted the statement to reflect to all participants are be provided with portability information.</p> <p>HASC deleted the statement that HASC provides a Mold Disclosure form in the briefing packet.</p>
<p>8/10/2016</p>	<p>Chapter 7 Pages 32-33</p> <p>Moves with Continued Assistance</p> <p>HASC deleted obsolete statements regarding the Certificate program.</p> <p>HASC deleted a statement that a family may move to a new unit if the owner has commenced an action to evict the tenant or has obtained court judgment or other process allowing the owner to evict the tenant.</p> <p>HASC added a statement that families are required to give proper written notice of intent to vacate unless they can document a special hardship.</p>
<p>8/10/2016</p>	<p>Chapter 8 Page 36</p> <p>Portability Procedures</p> <p>HASC added a statement to reflect new program portability procedures</p>

<p>8/10/2016</p>	<p>Chapter 12 Page 72</p> <p>HQS Emergency Fail Items</p> <p>HASC added a statement to reflect the current practice of enforcing a inspection correction within 24 in regard to smoke detectors and carbon monoxide alarms</p>
<p>9/1/2016</p>	<p>Page 29 APPROVAL TO LEASE A UNIT</p> <ul style="list-style-type: none"> • Deleted the following policy to allow more flexibility in beginning lease dates: <p>For a unit that passes HQS on or before the 10th of the month, the prorated subsidy begins on the 15th of that month. For a unit that passes HQS on or before the 25th of the month, the regular subsidy begins on the 1st of the following month.</p>
<p>9/1/2016</p>	<p>Page 29</p> <ul style="list-style-type: none"> • Deleted the following statement since the policy is also stated in Chapter 12 page 60: <p>For annual inspections, approximately 2-6 weeks before the annual anniversary of the last inspection, notice is sent to the owner and family informing them of the date inspection must be completed. If the unit cannot be inspected by the anniversary date, abatement of payment to the owner or termination of assistance for the family is pursued.</p>

9/1/2016

Page 39, 40 and 41:

Annual income means all amounts, monetary or not, that:

Any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9); Notice PIH 2015-21]

In 2005, Congress passed a law (for Section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

Student Financial Assistance Included in Annual Income [24 CFR 5.609(b)(9); FR 4/10/06; Notice PIH 2015-21]

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age **OR** they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition and any other required fees and charges received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

To determine annual income in accordance with the above requirements, the PHA will use the definitions of *dependent child*, *institution of higher education*, and *parents* in section 3-II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:

- *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.

	<ul style="list-style-type: none"> • <i>Assistance from private sources</i> means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit. • <i>Tuition and fees</i> are defined in the same manner in which the Department of Education defines <i>tuition and fees</i> [Notice PIH 2015-21]. <ul style="list-style-type: none"> - This is the amount of tuition and required fees covering a full academic year most frequently charged to students. - The amount represents what a typical student would be charged and may not be the same for all students at an institution. - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition. - Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program). - Expenses related to attending an institution of higher education must not be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed-sum charges.
	<p>Annual income does not include the following:</p> <p>Student Financial Assistance <u>Excluded</u> from Annual Income [24 CFR 5.609(c)(6)]</p> <p>Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:</p> <ul style="list-style-type: none"> • Students residing with parents who are seeking or receiving Section 8 assistance • Students who are enrolled in an educational institution that does not meet the 1965 HEA definition of <i>institution of higher education</i> • Students who are over 23 AND have at least one dependent child, as defined in section 3-II.E • Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

9/1/2016

Page 54

Exception payment standards for providing reasonable accommodations

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size. The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount exceeds 120 percent of the FMR.

A family that requires a reasonable accommodation may request a higher payment standard at the time of the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, the PHA must determine that:

- A rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;
- The family requested lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and
- The unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

Background: Under the preceding regulations, a PHA had to request a waiver from a HUD Field Office for an exception payment standard above 110 percent of the FMR, consuming considerable administrative time and resulting in delays that, in some cases, caused families to miss out on desired units. Under this provision, a PHA may approve a payment standard of not more than 120 percent of the FMR without HUD approval if required as a reasonable accommodation for a family that includes a person with disabilities.

Revision Date	Page (s)	Revision
5/4/2017	Chapter 2 p. 9	Added: HASC responsibility to inform applicants and participants of their VAWA rights and protections
5/4/2017	Chapter 3 pp. 14-15	Added: The definition of Independent Student and Vulnerable Youth who are eligible for participation in the HCV program
5/4/2017	Chapter 6 p. 29	Added: Topics covered during the Briefing. Our current practice is to cover these topics now included in writing.
5/4/2017	Chapter 7 pp. 35-36	Added: Explanation of when a family can move under VAWA protections and the HUD requirement of an emergency voucher transfer plan which has been our practice but not documented in our Admin Plan. The additional documentation requirement for non-citizen participants requesting VAWA protections is dictated by PIH Notice 2017-02.
5/4/2017	Chapter 8 p. 39	Added: The ability to approve or disapprove a participant's request to port to another HA. The HA has the ability to make such determination which is now documented in our portability procedures.
5/4/2017	Chapter 9 pp. 45-6	Added: Definition and requirements for Earned Income Disregard (EID) which allows qualified families to keep more of their earned income for a period of up to two years following an increase in employment income. The timing requirement changed from a 48 month, stop and start, lifetime maximum to a 24 consecutive month lifetime maximum. This requirement was previously not included in our Admin Plan but is our current practice.
5/4/2017	Chapter 9 p. 46	Added: Specific earned income to be excluded, as a result of PIH Notice 2017-05; Census Bureau income.

Revision Date	Page (s)	Revision
5/4/2017	Chapter 10 p. 51	Added: Acceptable documents to verify citizenship; U.S. Passport, previously not included in our Admin Plan.
5/4/2017	Chapter 11 p. 60	Added: Time frames permitted and notice required to participants when/if changing Payment Standards.
5/4/2017	Chapter 11 p. 63	Added: The specific equation used when calculating the payment standard for space rent of a manufactured home. This has been our practice and now included in our Admin Plan. The formula is taken from: FR Vol. 80, No. 238, V-Manufactured Home Space Surveys
5/4/2017	Chapter 12 p. 76	Revised: Outlines requirements of HASC if notified of a child less than 6 y/o being exposed to LBP. HUD added the specific time requirements of 15 days.
5/4/2017	Chapter 12 p. 78	Added: Language guiding initial HQS Inspection and executing a HAP contract. This is our current practice and now included in our Admin Plan.
2/14/2018	Chapter 4 p. 21	Grounds for Denial: added; G. Have been referred to a debt collection agency for HASC debt (denied for life);
2/14/2018	Chapter 11 p.60	Manufactured Homes space rent. Revised: 1. The payment standard used by HASC to calculate the HAP for manufactured home space rent is the same payment standard used for a rental unit of the same bedroom size under HASCs HCV Program, which is based on the HUD FMR for the area.
1/1/2020	Chapter 14 p. 81	Families must report any and all income changes within 10 days of occurrence. For household income that increases or decreases more than \$200 per month and lasts more than 30 days, an Interim Review of income will be initiated and a rent re-calculation performed, once the income change (s) has been verified.

Revision Date	Page (s)	Revision
7/8/2020	Chapter 5 pp. 23-24	Added description of Referral Admission program-VASH. This is a current practice, we are partnered with the VA but admission to the Section 8 Program was not included in the Admin Plan. Added description Special Admission program-FYI. This is a new program and partnership with DCYF.
2/10/2021	Chapter 7 pp. 99-105	Revised and added detail to the Project Based Voucher Chapter.
2/10/2021	p. 23	Added after accepting VASH referrals vouchers will be issued to the tenant based or project-based programs
2/10/2021	p. 25	Added a preference to our S8 Waiting List. Definition- <input type="checkbox"/> A domestic violence preference is a preference for admission of persons who are victims of domestic violence, dating violence, sexual assault, and stalking, who are making an emergency transfer request and are participants in HASC's Project-Based voucher program. Selection from the WL shall be granted in the following order: DV preference , resident, non-resident.
4/14/2021	p. 23	Removed Special Admissions paragraph-HUD changed the way FYI vouchers will be issued. FYI vouchers are no longer considered special admissions but are Admissions from the Waiting List.
4/14/2021	p.24	Added a Waiting List Preference for FYI referrals
4/14/2021	p.25	Added Definition of FYI Preference: A FYI referral preference is a preference for admission of persons who have been referred by DCYS, have left foster care (or will leave foster care in 90 days) is 18-24 years of age and is homeless or is at risk of becoming homeless at age 16 or older.
9/8/2021	pp. 23-24	Added a new program-Emergency Housing Vouchers (EHV)

5/10/2023	p. 23	<ul style="list-style-type: none">• Added new agencies with EHV MOU• Added new uses for EHV Service Fees
5/10/2023	p.99	<ul style="list-style-type: none">• Added selection process for PBVouchers

		New Language	Previous Language
4/10/2024		<p>1.8 HOTMA UPDATES AND COMPLIANCE</p> <p>The Housing Opportunity Through Modernization Act (HOTMA) rules will not go into effect until HASC software is compliant with the new Housing Information Portal (HIP). When this occurs a compliance date will be set and all transactions effective on the compliance date or later will be processed using HOTMA policies.</p>	none
4/10/2024	p.7	<p>1.8 HOTMA UPDATES AND COMPLIANCE</p> <p>The Housing Opportunity Through Modernization Act (HOTMA) rules will not go into effect until HASC software is compliant with the new Housing Information Portal (HIP). When this occurs a compliance date will be set and all transactions effective on the compliance date or later will be processed using HOTMA policies.</p>	none

4/10/2023	p.14	<p>A single person is an eligible youth who has attained at least 18 years of age and not more than 24 years of age, has left foster care, or will leave foster care within 90 days, is homeless or is at risk of becoming homeless at age 16 or older.</p> <p>8. A foster adult is defined as a member of the household who is 18 years or older and meets the definition of foster adult under the state law. Generally, a foster adult is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgement, decree or other order of the court.</p> <p>9. A foster child is defined as a member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court.</p>	<p>A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.</p>
4/10/2024	p.16	<p>Signing Consent Forms</p> <p>In order to be eligible each member of the family who is at least 18 years of age, shall sign one or more consent forms. A family member may choose to not sign consent or may choose to revoke consent. However, not providing consent or revoking consent will result in the denial of admission.</p> <p>The HUD 9886 consent form will remain effective until the family is denied assistance, the assistance is terminated, or the family revokes consent.</p>	<p>Signing Consent Forms</p> <p>In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.</p>

4/10/2024	p. 23	<p>Have ownership of net family assets that exceed \$100,000 (as adjusted for inflation) and/or ownership of disqualifying real property.</p> <p>1. A property will be considered suitable for occupancy unless the family demonstrates that the real property meets of the following conditions:</p> <p>a. The property is not capable of meeting the disability-related needs of all members of the family.</p> <p>b. The property is not a sufficient size for the family.</p> <p>c. The property is geographically located so that it creates a hardship for the family. i.e. the distance or commuting time between the property and the family's place of work or school would place a hardship on the family, as determined by HASC. Distance or commute time are examples of geographic hardships but not exhaustive of what constitutes a hardship.</p>	none
4/10/2024	p.41	<p>Annual income includes, but is not limited to:</p> <p>1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services. Wages from Day Labor, Independent Contractors, and Seasonal Workers are counted as earned income.</p>	<p>Annual income includes, but is not limited to:</p> <p>1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.</p>

4/10/2024	p.41	<p>3. Income earned from assets. HASC will determine each family’s assets and anticipated income from assets at the time of admission and at annual and interim reviews.</p> <p>i. Families can self-certify that their net family assets are equal to or less than \$50,000.</p> <p>ii. When determining net family assets, HASC will provide the family with a description of non-necessary personal property and ask the family to estimate the total value of their non-necessary property. If the family estimates that their non-necessary property is valued under \$50,000 (as adjusted annually for inflation) then HASC will not ask the family to report the individual items of non-necessary personal property, except every third year when HASC is fully verifying all assets.</p> <p>iii. After a family’s assets of \$50,000 or less have been self-certified for two years in a row, HASC will fully verify net family assets and anticipated income earned from assets.</p> <p>iv. Self-certification will resume until the third annual reexam following the most recent full verification. If net family assets are greater than \$50,000, assets will be fully verified.</p> <p>v. If the family’s non-necessary personal property has a net value over \$50,000, HASC will ask the family to report a full list of their non-necessary personal property. HASC will make a determination as to each item identified, based on HUD guidance, and if the item is determined necessary, or excluded from net family assets, like a retirement account, educational savings account, etc. it will be excluded from the family’s net assets.</p>	<p>Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.</p>
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4/10/2024	p. 45	Lump sum additions to net family assets, including but not limited to lottery or other contest winnings, are excluded from annual income. The amounts may count toward net family assets.	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;
4/10/2024	p.45	Income from live-in aides, foster children and foster adults	Not a new rule but not previously listed

4/10/2024	p.45	This program was deleted.	<p>Amounts received from a family member as a result of employment of a family member who is a person with disabilities OR who was previously unemployed for one or more years prior to employment OR increased earnings by a family member who is a person with disabilities during participation in an economic self-sufficiency or other job training program or state program. This is referred to as Earned Income Disregard (EID) and allows qualified families to keep more of their earned income for a period of up to two years following an increase in employment income;</p> <ol style="list-style-type: none"> 1. Once a family member is determined to be eligible for the EID, the 24 month period starts; 2. If the family member discontinues employment that initially qualified the family for the EID, the 24 month period continues; 3. During the 24 month period, EID benefits are recalculated based on changes to the family member income and employment; 4. During the first 12 month period, the Housing Authority must exclude all increased income resulting from the qualifying employment of the family member. During the second 12 month period, the Housing Authority will exclude from annual income of the family member 50 percent of any
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			<p>increase in income before the qualifying event (the family member's baseline income);</p> <p>5. The EID benefit is limited to a lifetime 24 month period for the qualifying member;</p> <p>6. At the end of the 24 month period, the EID ends regardless of how many months were "used"</p>
4/10/2024	p. 46	<p>Temporary, nonrecurring, or sporadic income (including gifts) and as of March 2017, pursuant to PIH Notice 2017-05, temporary income payments from the U.S. Census Bureau, defined as employment lasting no longer than 180 days and not culminating in permanent employment, economic stimulus or recovery payments, state and federal tax returns, and in-kind donations</p>	<p>Temporary, nonrecurring, or sporadic income (including gifts) and as of March 2017, pursuant to PIH Notice 2017-05, temporary income payments from the U.S. Census Bureau, defined as employment lasting no longer than 180 days and not culminating in permanent employment,</p>

4/10/2024	pp. 46-47	<p>Insurance payments and settlements for personal property losses, including but not limited to payments under health insurance, motor vehicle insurance, and worker's compensation. Worker's Compensation is always excluded regardless of the frequency or length of payments.</p> <p>15. Amounts recovered in civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a person with disabilities. Any amounts recovered are excluded irrespective of whether they are received periodically or in a lump sum.</p> <p>16. Payments to veterans in need of regular aid and attendance. This income exclusions only applies to "aid and assistance" to the veteran and not to other beneficiaries such as a surviving spouse. (VA Pension and VA Survivors Pensions are included in annual income).</p> <p>17. Loan proceeds received by the family, or third party are excluded. The loan borrower or co-borrower must be a member of the family. Examples of such loans are car loans, student loans etc.</p> <p>18. Achieving a Better Life Experience (ABLE) accounts; ABLE accounts are excluded from net family assets, income generated and distributions from these accounts are excluded.</p> <p>19. Civil rights settlements or judgements, including settlements or judgements for back pay are excluded from the calculation of income.</p>	Not previously listed
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4/10/2024	pp. 48-49	<p>A. \$480 (adjusted annually for inflation) for each dependent</p> <p>B. \$525 (adjusted annually for inflation) for any elderly family or disabled family</p> <p>C. The sum of unreimbursed health and medical care and reasonable attendant care and auxiliary expenses that exceed 10% of the family's annual income can be deducted from annual income. There are two types of hardship exemptions to the 10% threshold for deducting unreimbursed health and medical care expenses (for elderly and disabled families) and reasonable attendant care and auxiliary apparatus expenses (for families that include a person with disabilities).</p> <p>(a) Phased-In Relief-All families who received deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income examination, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first, after the implementation of HOTMA.</p> <p>(i) Families who receive this phased-in relief will have eligible expenses deducted as follows:</p> <p>a. 1st twelve months-in excess of 5% of annual income.</p> <p>b. 2nd twelve months-in excess of 7.5% of annual income.</p> <p>c. After 24 months-in excess of 10% threshold will phase in and remain in effect unless the family qualifies for general hardship relief. Once a family chooses to obtain General Relief, a family may no longer receive the phased-in relief.</p>	<p>A. \$480 for each dependent</p> <p>B. \$400 for any elderly family or disabled family</p> <p>C. For any family that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities.</p>
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	<p>(b) General Relief-a family must demonstrate that their applicable expenses increased, or they experienced a change in circumstance that resulted in a financial hardship, as defined below, that would not otherwise trigger an interim reexamination. This relief is available regardless of whether the family previously received health and medical deductions or is currently receiving, or previously received, a phased-in hardship exemption.</p> <p>(i) A change in circumstance includes the need for new, qualifying, health/medical, reasonable attendant care and auxiliary apparatus expenses or an increase in the cost of qualifying expenses so that the qualifying expenses exceed 5% of the family’s annual income.</p> <p>(ii) Financial hardship may include a family waiting for an eligibility determination for a federal, state or local assistance program such as unemployment compensation or disability benefits, the family’s income decreased because of a loss of employment, death of a family member, or newly incurred medical expenses that exceed 40% of the family’s adjusted income or, a pay or vacate notice, or circumstances as determined by HASC. HASC must obtain third party verification of the family’s financial hardship (inability to pay rent) or, document why third party verification is not available. HASC must attempt to obtain third party verification prior to the end of the 90-day period.</p> <p>(iii) The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after 90 days, whichever comes earlier.</p> <p>(iv) If the family wishes to request a successive 90-day period for the exemption, they must make the request within 10 days of the end of the current eligibility period and must demonstrate to HASC why an additional period of exemption is necessary. If HASC</p>	
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		<p>determines that the expense giving rise to the hardship exemption will not end within 90 days, HASC may grant one or more 90-day extensions.</p> <p>(v) Families must notify HASC if the hardship exemption is no longer necessary.</p>	
4/10/2024	p. 49	<p>Childcare expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or the further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.</p> <p>(a) A family whose eligibility for the child-care deduction is ending may request a hardship exemption to continue receiving a child-care expense deduction.</p> <p>(b) The family must demonstrate financial hardship as defined above, C (b)(ii) (General Relief) and the child-care expense is still needed even though the family member is no longer working, looking for work, or furthering their education and HASC must verify the hardship via third party or document why third party verification is not available.</p> <p>(c) If approved, the hardship exemption will remain in place for 90 days.</p> <p>(d) The hardship exemption may be extended for additional 90 day periods based on family circumstances.</p>	<p>Childcare expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or the further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.</p>

4/10/2024	p. 49	<p>9.5 INCOME CALCULATION ERRORS</p> <p>HASC is required to reimburse families for overpayment of the total family share. Such reimbursement of the tenant portion of the rent will be made in current and future months through an increase in HAP to the landlord and a decrease in the family rent until the family's overpayment is fully compensated.</p>	Previously practiced but not included.
4/10/2024	p. 56	<p>Applicants are required to disclose his/her SSN. If a member of the family is unable to provide a Social Security card, HASC will accept a self-certification of the SSN with a third-party document showing the applicant's name and SSN printed on it to satisfy the SSN disclosure requirement. If the SSN is not verified in EIV, then HASC must receive a SS card issued by the Social Security Administration or an original document issued by a state or federal government agency that contains the name and SSN of the individual. The family's assistance will be terminated if they fail to provide the required documentation.</p>	<p>Participants are required to disclose his/her SSN. If the family is otherwise eligible for continued assistance the Housing Authority will defer the family's termination and provide the family an opportunity to comply with the requirements within a period not to exceed 90 calendar days from the date the Housing Authority determined the family non-compliant with the SSN disclosure and documentation requirement if the failure to comply was due to circumstances beyond the family's control.</p>

4/10/2024	pp. 83-84	<p>14.2 INTERIM REEXAMINATIONS</p> <p>Families must report all household composition and income changes within 10 days of occurrence.</p> <p>14.2.1 Decreases in Income</p> <p>A. HASC will conduct an Interim Reexamination of family income when HASC becomes aware that a family’s annual adjusted income has decreased by 10% (calculated percentage decreases will be rounded to the next higher whole number).</p> <p>C. HASC will conduct an Interim Review for all families when there is a decrease in family size attributed to the death or permanent move-out of family member during the period since the family’s last reexam that results in a decrease in adjusted income of any amount.</p> <p>14.2.2 Increases in Income</p> <p>A. HASC will conduct an Interim Review of family income when HASC becomes aware that the family’s adjusted income has increased by 10% or more.</p> <p>1. HASC will not consider any increases in earned income when calculating whether the family’s adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle.</p> <p>2. A series of smaller reported increases in adjusted income may cumulatively meet or exceed the 10% increase threshold, at which point HASC will conduct on Interim Review.</p>	<p>14.2 INTERIM REEXAMINATIONS</p> <p>During each interim reexamination only the information affected by the changes being reported will be reviewed and verified.</p> <p>Families must report any and all income changes within 10 days of occurrence. For household income that increases or decreases more than \$200 per month and lasts more than 30 days, an Interim Review of income will be initiated, and a rent recalculation performed, once the income change (s) has been verified.</p>
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4/10/2024	p. 85	<p>Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. HASC may decline to conduct an Interim Reexamination of family income if HASC determines the family's adjusted income will decrease by an amount that is less than 10% of the family's annual adjusted income.</p>	<p>Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, the Housing Authority of Skagit County will take timely action to process the interim reexamination and recalculate the family share.</p>
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4/10/2024	pp. 85-86	<p>14.2.4 Effective Date of Rent Changes Due to Interim or Special Reexaminations</p> <p>Families must report all changes in family income or composition within 10 days from the effective date of the change to be considered timely.</p> <p>A. Timely reporting related to an increase in rent: When a family reports a change in family income or composition that will result in an increase in tenant rent, the family must be provided a minimum of 30 days' notice of the rent increase. The rent increase will be effective on the first of the month following the end of the 30-day notice.</p> <p>B. Timely reporting related to a decrease in rent: Families that report changes in family income or composition with 10 days from the effective date of the of the change that results in a decrease in tenant rent, the decrease will be effective the first day of the month after the date of the actual change leading to the Interim Reexamination.</p> <p>C. Untimely reporting related to an increase in rent: Families that do not report changes in family income or composition with 10 days from the effective date of the change, that will result in a n increase to tenant rent, will have the rent increase implemented retroactively to the first of the month following the date of the change leading to the Interim Review. The family will owe a one-time payment equal to the difference in the rent paid and the new increased rent for each monthly rental period from the time of the change in circumstances through the date of the Interim Reexamination.</p> <p>D. Untimely reporting related to a decrease in rent: When a family does not report a change in a timely manner that</p>	<p>14.2.2 Effective Date of Rent Changes Due to Interim or Special Reexaminations</p> <p>Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).</p> <p>If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.</p> <p>If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.</p>
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		will result in a decrease in rent, HASC will implement the decrease no later than the first of the month following completion of the Interim Reexamination.	
4/10/2024	p. 87	Termination when net family assets exceed \$100,000 (as adjusted annually for inflation): HASC must initiate termination proceedings for families who are out of compliance with the asset limitation. HASC will delay the enforcement however, up to six months, allowing the family to demonstrate they have cured non-compliance with the asset limitation.	New policy
4/10/2024	p. 87	If a family member fails to sign and submit consent forms. Families have the right to revoke consent by written notice to HASC. However, revoking consent can result in program termination or denial of assistance.	If a family member fails to sign and submit consent forms.

4/10/2024	p. 120	<p>Attendant Care and Auxiliary Apparatus Expenses: Auxiliary Apparatus items can include (for example) expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read, or type or special equipment to assist a person who is deaf or hard of hearing. Example of attendant care expenses can include teaching a person with disabilities how to perform day to day tasks independently like cleaning, bathing, doing laundry and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day. In order to claim the deduction for the cost of unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family to be employed. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.</p>	Added new definition
4/10/2024	p.129	<p>Unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses: Health and medical care expenses include costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period of which annual income is calculated. Health and medical care expenses may be deducted from annual income only if eligible and not otherwise reimbursed and may only be deducted for elderly or disabled families.</p>	Added new definition

